

LEASE AGREEMENT

Between

CITY OF ALEXANDRIA, VIRGINIA

as Landlord,

and

as Tenant

0 Prince Street and 200 Strand, Alexandria, Virginia 22314

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Exhibit A:	Legal Description of Land
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Exhibit E:	Environmental Reports

THIS LEASE AGREEMENT (the "Lease") is made effective as of the ____ day of _____, 2013 (the "Effective Date") by and between CITY OF ALEXANDRIA, a municipal corporation of Virginia (the "Landlord") and _____, a _____ (the "Tenant").

In consideration of the rents to be paid and the provisions, covenants, and conditions to be performed hereunder Landlord and Tenant, intending to be legally bound, hereby agree as follows:

1. Demise of Premises; Pre-Delivery Rights and Obligations.

(a) Landlord hereby demises and lets to Tenant, and Tenant hereby takes and leases from Landlord, for the Term and upon the terms, conditions, and provisions set forth in this Lease, the following described property:

(i) Those certain lots or parcels of land situated in the City of Alexandria, Virginia, containing in the aggregate approximately 0.444 acres, more or less, having the street address of 0 Prince Street and 200 Strand, Alexandria, VA 22314, as more fully described on Exhibit A attached hereto and incorporated herein by reference, together with all easements, rights and appurtenances thereunto belonging or appertaining, subject, however, to all reciprocal rights and obligations appertaining to and burdening the said lands for benefit of the owners and occupants of adjacent lands (collectively, the "Land");

(ii) All buildings, structures, and other improvements now or hereafter situated on the Land, including without limitation (A) the Building and any paved parking areas, drive aisles, curbs, sidewalks, steps, ramps, fences, walls, rails, landscaped areas, loading area structures, outbuildings, utility boxes, and other structures existing in connection therewith; and (B) any and all future Alterations to any and all of the foregoing to be constructed by Tenant under this Lease (collectively, the "Improvements"); and

(iii) All machinery, equipment, and fixtures (excluding, however, the Trade Fixtures, as defined below), now or hereafter attached to the Building or other Improvements in such a manner as to become fixtures under applicable law, together with all additions and accessions thereto, substitutions therefor, and replacements thereof permitted by this Lease (collectively, the "Fixtures").

SUBJECT, HOWEVER, to the affirmative obligation of Tenant to maintain any and all public walkways situated on any portion of the Land, which provide public access to the Alexandria Waterfront and to the wood pier that is the launch site for dinner boat cruises, continuously open, unobstructed, and unused for any purpose of Tenant, ensuring that members of the public may enjoy unlimited pedestrian use thereof at all times during the Term of this Lease.

The Land, the Improvements, and the Fixtures, as the same may be modified from time to time as described in this Lease, are collectively referred to herein as the "Premises."

(b) Following the Effective Date, Tenant, upon prior Notice to and consent from Landlord, shall have reasonable and full access to the Premises, to enter thereupon at any reasonable time or times, in order to make and/or obtain such soil borings, inspections, studies, tests, samplings, and surveys (collectively, "Studies") as Tenant and its agents and contractors shall deem necessary and appropriate for purposes of planning any Alterations to the Building and any other existing Improvements, and the construction of any new Improvements, as set forth in this Lease (collectively, the "Renovation Project"). Promptly after performing any of the foregoing Studies, in each instance, Tenant

shall cause the Premises to be restored to its original condition. Tenant shall indemnify and hold harmless Landlord, its owners, principals, agents, employees, contractors, and invitees, from and against any injury or damage resulting from Tenant's and its agents' and contractors' access to and entry upon the Premises and performance of any and all Studies, on the terms and conditions set forth in Section 10(a). Tenant's indemnity as provided herein shall survive any termination of this Lease for failure to obtain Landlord's approval of Drawings and Plans, failure to obtain Renovation Plan Approvals, or any other reason, as well as the performance of this Lease, for as long as Tenant or any other person shall have any right to bring any indemnified claim as provided herein.

(c) Upon the Effective Date, if not sooner, Tenant, at Tenant's sole expense, shall diligently commence planning the Renovation Project, including determining all design and pricing requirements in connection therewith. Tenant shall cause its architect and other contractors to prepare drawings and plans for the Renovation Project that conform to all Legal Requirements and any other substantive requirement of this Lease (collectively, as the same may be modified from time to time pursuant to this Lease, the "Drawings and Plans"). Tenant shall submit the Drawings and Plans to Landlord for its approval, which shall not be unreasonably withheld, and if Landlord neither approves nor rejects the Drawings and Plans within thirty (30) days of receipt thereof, Landlord will be deemed to have approved the same as received. If Landlord rejects the Drawings and Plans submitted as aforesaid, Landlord shall deliver Notice to Tenant stating Landlord's reasonable grounds for such rejection, whereupon Tenant shall have a period of fifteen (15) days in which either to revise the Drawings and Plans to satisfy Landlord's concerns and resubmit them to Landlord for approval (in which case the provisions of the preceding sentence shall again apply) or to deliver Notice to Landlord terminating this Lease, whereupon neither party shall have any further liability hereunder except as expressly stated otherwise in this Lease. If Tenant takes neither of the foregoing actions within the said fifteen (15) day period, Tenant will be deemed to have waived its right to terminate this Lease and shall be obligated to work with Landlord to produce mutually acceptable Drawings and Plans.

(d) Promptly following approval of all Drawings and Plans as aforesaid, Tenant, at Tenant's sole expense, shall promptly apply for (in its own name), and thereafter diligently pursue, in good faith, all Renovation Plan Approvals (as defined herein). In the event that Tenant, despite diligent efforts (and cooperation by Landlord as aforesaid), is unable to obtain all Renovation Plan Approvals within twelve (12) months from the Effective Date, subject to any reasonable extension of such period as to which the parties may hereafter agree, Tenant shall have the right to deliver Notice to Landlord terminating this Lease, whereupon neither party shall have any further liability hereunder except as expressly stated otherwise in this Lease. Tenant shall keep Landlord regularly informed of the status of Tenant's efforts to obtain all Renovation Plan Approvals, and upon obtaining all Renovation Plan Approvals, Tenant shall deliver to Landlord the Approval Notice, whereupon Landlord shall deliver possession of the Premises to Tenant as provided in Section 3(a) below. Also upon obtaining all Renovation Plan Approvals, a copy of Tenant's final approved Renovation Plans shall be attached to this Lease and incorporated herein by reference as Exhibit B.

2 Certain Definitions.

For purposes of this Lease, Landlord and Tenant hereby agree that the following capitalized terms shall have the indicated meanings:

Additional Rent: all sums of money or charges required to be paid by Tenant under this Lease other than Base Rent, whether or not such sums or charges are designated "Additional Rent," as more particularly set forth in Section 6.

Alterations: any or all changes, additions (whether or not adjacent to or abutting any then existing buildings), expansions (whether or not adjacent to or abutting any then existing buildings),

improvements, reconstructions, removals, or replacements of any of the Improvements or Fixtures, both interior and exterior, and both ordinary and extraordinary.

Approval Notice: Tenant's written Notice to Landlord confirming that Tenant has obtained all Renovation Plan Approvals.

Architectural Approval: approval by the Board of Architectural Review for the Renovation Project.

Board of Architectural Review: the Old and Historic District Board of Architectural Review, a regulatory board established by the City of Alexandria.

Base Rent: the minimum annual rent for the Premises to paid by Tenant to Landlord, as more particularly set forth in Section 6.

Building: the existing two story building situated on the Land as of the Effective Date, containing 3,630 gross square feet, more or less, of floor area.

Default Rate: the Default Rate of interest as defined in Section 6(e);

Delivery Date: the date on which Landlord delivers the Premises to Tenant in accordance with Section 3(a).

Easement: any lawful covenant, easement, reciprocal easement, restriction, right of way agreement or any other similar legally binding agreement or instrument benefiting and/or burdening the Land, and running with the Land, that exists as of the Effective Date or is recorded among the Land Records of the City of Alexandria with the consent of Landlord and Tenant from and after the Effective Date.

Effective Date: the effective date of this Lease, stated in the first paragraph on the first page hereof, which shall be the date upon which this Lease is delivered to Tenant by Landlord after it has been executed by Tenant and Landlord. Landlord shall not delay in returning a fully ratified Lease to Tenant, and in all cases return a fully ratified Lease to Tenant no later than two (2) weeks after Landlord's receipt of the Lease executed by Tenant.

Environmental Laws: Environmental Laws as defined in Section 26.

Event of Default: an Event of Default as defined in Section 19(a).

Excusable Delays: delays in either party's performance of any obligation of this Lease due to fire, act of God, governmental act or failure to act, Legal Requirement, labor dispute, accident, civil commotion, war, catastrophe, inclement weather, shortage of materials or labor, action of the other party, or any other cause beyond the party's reasonable control.

Final Notice: Notice to Tenant that an Event of Default has occurred for which there is no cure period available, or for which the applicable cure period has expired; if applicable, a copy of such Final Notice shall be delivered to any Leasehold Mortgagee pursuant to Section 34(b).

Fixtures: any and all existing or future Fixtures as defined in Section 1(a).

Governmental Authorities: any and all federal, state, and local governmental officials, agencies, administrations, courts, boards, officers, and other personnel having jurisdiction in respect of

the Premises, or Tenant's or Landlord's respective interests in and to the Premises, or Tenant's use, occupancy, possession, operation, maintenance, alteration, repair, or reconstruction of the Premises, or otherwise with respect to the subject matter of this Lease, including without limitation the jurisdiction to impose any Legal Requirements in connection with any or all of the foregoing.

Impositions: any and all existing or future Impositions as defined in Section 8.

Improvements: any and all existing or future Improvements as defined in Section 1(a).

Initial Term: The initial Term of this Lease, commencing on the Delivery Date and ending (if not sooner terminated pursuant to any applicable provision of this Lease) at 11:59 p.m. on the date immediately prior to the tenth (10th) anniversary of the Lease Year Commencement Date, subject to the further provisions set forth in Section 5(a).

Insurance Requirements: all terms of any and every insurance policy required to be carried by Tenant under this Lease, and as required by the issuer of each such policy.

Land: the Land as defined in Section 1(a).

Landlord: the Landlord identified in the first paragraph of this Lease, its successors and assigns.

Law: any constitution, statute, or rule of law applicable to any issue or matter arising under this Lease.

Lease Year: each twelve (12) calendar month period beginning at 12:00 a.m. on the Lease Year Commencement Date, and on each anniversary thereof, and ending at 11:59 p.m. on the date immediately prior to each anniversary thereof throughout the Term, subject to the provisions of Section 5(a) with respect to the first Lease Year.

Lease Year Commencement Date: the Rent Commencement Date, if such date shall be on the first day of a calendar month, or, if the Rent Commencement Date does not fall on the first day of a calendar month, then the first day of the first calendar month following that month in which the Rent Commencement Date falls.

Leasehold Mortgage and Leasehold Mortgagee: any Leasehold Mortgage and Leasehold Mortgagee as defined in Section 34.

Legal Requirements: the requirements of any and all present and future Laws, codes, ordinances (including zoning ordinances, land use requirements, and fire, safety and health codes), orders, judgments, decrees, injunctions, rules, regulations, and requirements, even if unforeseen or extraordinary, of any and all Governmental Authorities, and any and all Easements, and any occupancy or use permit or license, applicable (a) to Tenant, (b) to Landlord (with respect to its interest in the Land and the Premises), (c) to all or any part of the Premises, or any legal or equitable right or interest therein, (d) to the Permitted Use, or (e) to any other use, manner of use, occupancy, possession, operation, maintenance, demolition, construction, Alteration, repair, or Restoration of the Premises and all Improvements and Fixtures in, on, and about the Premises. The definition of Legal Requirements for purposes of this Lease is intentionally broad and shall not be narrowed even if compliance therewith necessitates structural changes to any Improvements (including changes required to comply with the Americans with Disabilities Act), or results in interference with the use or enjoyment of the Premises, or requires Tenant to carry insurance in addition to the minimum Insurance Requirements

expressly stated in this Lease (which shall be deemed automatically modified to comply with such Legal Requirements).

Net Award: the entire award payable by reason of a Taking, after deduction of all reasonable expenses, including without limitation fees of attorneys, appraisers, and expert witnesses, incurred in collecting such award.

Net Proceeds: the entire proceeds of any insurance required under Section 14(a), after deduction of all reasonable expenses incurred in collecting such proceeds.

Notices: all notices, requests, demands, or other communications which may be or are required or permitted to be served or given under this Lease, as more particularly set forth in Section 21.

Permits: collectively, all applications, Renovation Plans approval, permits, licenses, occupancy certificates, and other permissions required from the applicable Governmental Authorities and quasi-governmental and private authorities to permit Landlord's Work, Tenant's Work, any future Alterations, Tenant's occupancy of the Premises and engagement therein in the Permitted Use, and otherwise, as the such requirements may change from time to time and at any time from the Effective Date until the termination of this Lease.

Permitted Encumbrances: those covenants, restrictions, reservations, liens, conditions, encroachments, easements, and other matters of title that affect the Land and the Premises as of the Effective Date, as shall be disclosed on the Title Commitment, unless the parties shall mutually agree otherwise in writing.

Permitted Use: Tenant's permitted use of the Premises following completion of the Renovation Project, being the operation of a restaurant serving members of the public, subject to the further provisions of Section 4.

Plat: the Plat as defined in Section 1(a).

Premises: the Premises as defined in Section 1(a).

Regulated Activity: Regulated Activity as defined in Section 26(b).

Renewal Term: Any of two (2) consecutive optional periods extending the Term of this Lease for a period of five (5) years each, commencing upon the expiration of the Initial Term or the first Renewal Term, if any, subject to the further provisions set forth in Section 5(b).

Renovation Plan Approvals: collectively, all approvals of the Renovation Plans required to be obtained from any branch of the government of the City of Alexandria, and any other applicable Governmental Authorities or quasi-governmental or private authority, specifically including but not limited to (a) approval of all Permits relating to the Renovation Project, and (b) Architectural Approval.

Renovation Plans: Tenant's final and complete plans and specifications for the Renovation Project, as approved by all applicable Governmental Authorities and quasi-governmental and private authorities, copies of which shall be attached hereto and incorporated by reference herein as Exhibit B.

Renovation Project: Tenant's making of Alterations to the Building and any other existing Improvements, and the construction of any new Improvements, as set forth in this Lease.

Rent: all Base Rent and Additional Rent payable by Tenant to Landlord under this Lease.

Rent Commencement Date: the earlier to occur of the following:

(a) _____ (____) days following the Delivery Date; *provided, however*, that if, despite Tenant's diligent efforts, Tenant's Work is not substantially completed as of such date due to Excusable Delays, Tenant shall have the option to extend period for completion by as many as two (2) consecutive optional extension periods of thirty (30) days each, exercised by delivery of Notice to Landlord (which Notice shall be self-executing so long as it comports with the foregoing provisions); or

(b) the date on which Tenant opens its business at the Premises to members of the public.

Replaced Fixtures and Replacement Fixtures: the Replaced Fixtures and Replacement Fixtures, respectively, as defined in Section 11(d).

Restoration: restoration of the Premises following a Taking and/or following a casualty, as the context shall require.

Studies: such soil borings, inspections, studies, tests, samplings, and surveys as Tenant may conduct upon the Premises, subject to the requirements of Section 1(b).

Taking: any physical taking of the Premises any Governmental Authority or quasi-governmental entity by condemnation or other eminent domain proceedings pursuant to any law, general or special, or by reason of any agreement with any condemnor in settlement of or under threat of any such condemnation or other eminent domain proceedings or by any other means, or any de facto condemnation resulting from regulatory action by any Governmental Authority or quasi-governmental entity.

Tenant: the Tenant identified in the first paragraph of this Lease.

Tenant's Work: Tenant's performance of the Renovation Project, as described in Section 11(a).

Term: the Initial Term and each Renewal Term, if any (subject to any early termination pursuant to any applicable provisions of this Lease), as discussed further in Section 5.

Trade Fixtures: all fixtures, equipment, and other items of personal property (whether or not attached to the Improvements) which are owned by Tenant and used in the operation of the business conducted on the Premises.

3. Delivery of Premises; Title and Condition; Easements.

(a) Upon Tenant's delivery of Approval Notice (the "Delivery Date"), Landlord shall deliver possession of the Premises in its then "as-is, where-is" condition to Tenant; *provided, however*, that if Landlord, despite diligent efforts, is unable to give Tenant sole possession of the Premises on the date stated above, this Lease shall not be void or voidable and Landlord shall not be subject to any liability for the failure to give possession to Tenant on or before the said date. Rather, in such event, provided that Landlord shall furnish Notice to Tenant on or before the said date stating the circumstances for such delay and Landlord's planned actions for effectuating delivery of the Premises to Tenant in the condition described herein, Tenant expressly agrees that the postponement of the Delivery Date (and therefore, to the extent applicable, the postponement of the Rent Commencement Date and/or Lease Year Commencement Date) shall be Tenant's sole remedy and shall constitute full settlement of all claims that Tenant might have against Landlord by reason of the delay; *provided, however*, that if

Landlord remains unable to give Tenant sole possession of the Premises six (6) months after the date on which Tenant shall have delivered its Approval Notice, then Tenant shall have the right, from and after such date, by delivery of written Notice to Landlord, to terminate this Lease, whereupon the parties will have no further obligations hereunder.

(b) The Premises are demised and let subject to (i) the Permitted Encumbrances (it being understood and agreed, however, that the recital of the Permitted Encumbrances herein shall not be construed as a revival of any Permitted Encumbrances that for any reason may have expired), and (ii) all Legal Requirements and Insurance Requirements existing as of the Delivery Date, without any representation or warranty by Landlord except as may be expressly stated in this Lease. Notwithstanding the foregoing, Tenant shall not be deemed to have assumed any obligations of Landlord with respect to any Mortgage, or with respect to any violation of Environmental Laws occurring at the Premises prior to the Delivery Date or following the expiration of the Term of this Lease.

(c) EXCEPT AS OTHERWISE SET FORTH IN THIS LEASE, LANDLORD LEASES AND WILL LEASE AND TENANT TAKES AND WILL TAKE THE PREMISES, AS OF THE DELIVERY DATE, IN "AS IS, WHERE IS" CONDITION, AND TENANT ACKNOWLEDGES THAT LANDLORD HAS NOT MADE AND WILL NOT MAKE, NOR SHALL LANDLORD BE DEEMED TO HAVE MADE, ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE FITNESS, DESIGN, OR CONDITION OF THE PREMISES FOR ANY PARTICULAR USE OR PURPOSE; AS TO THE QUALITY, WHETHER LATENT OR PATENT, OF THE MATERIALS AND WORKMANSHIP IN THE PREMISES; AS TO LANDLORD'S TITLE TO THE LAND; OR AS TO VALUE, COMPLIANCE WITH SPECIFICATIONS, LOCATION, USE, CONDITION, MERCHANTABILITY, QUALITY, DESCRIPTION, DURABILITY OR OPERATION, IT BEING AGREED THAT ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY TENANT. Tenant's acceptance of the Premises on the Delivery Date shall be deemed as Tenant's representation and warranty that the Premises are of its selection and to its specifications, and that the Premises have been inspected by Tenant and are satisfactory to it, *subject, however*, to the following conditions: (i) Landlord's representations, warranties, and covenants contained in Section 32, including without limitation Landlord's covenant to pay for any and all accrued but unpaid financial obligations under any Impositions, Permitted Encumbrances, or Legal Requirements (including Easements), that occur, accrue, or otherwise are charged for any period prior to or subsequent to the period for which Tenant is the responsible party pursuant to this Lease (and to indemnify Tenant with respect to the same); and (ii) Landlord's duty to correct any violations of Environmental Laws for which Landlord is the responsible party pursuant to Section 26 below. The provisions of this Section 3(c) have been negotiated, and, except as otherwise set forth herein, the foregoing provisions are intended to be a complete exclusion and negation of any warranties by Landlord, express or implied, with respect to any of the Premises, arising pursuant to the Uniform Commercial Code or any other Law now or hereafter in effect or otherwise.

(d) Tenant's acceptance of the Premises on the Delivery Date shall further be deemed (subject to Landlord's representations and warranties contained in Section 32) as Tenant's representation and warranty that Tenant has examined the legal title to the Land and has found such title to be satisfactory for the purposes contemplated by this Lease. Notwithstanding the foregoing, if the status of title to the Land should change without notice to Tenant prior to the Delivery Date, and if Tenant's ability to perform all Tenant's Work and conduct the business constituting the Permitted Use is materially impacted thereby, Tenant shall have the right to terminate this Lease with no further obligation under this Lease.

(e) Tenant hereby acknowledges that the Premises is located within the City of Alexandria Old and Historic District and subject to certain approvals by the Old and Historic District Board of Architectural Review which, among other things, impose certain architectural restrictions on the exterior of the Premises (including without limitation the requirement to obtain Architectural Approval

for Tenant's intended construction of the new Improvements); and (ii) govern certain rights and responsibilities of the owner or other occupants of the Premises.

(f) If Tenant at any time following the Effective Date reasonably requests Landlord to enter any agreement establishing a new Easement to facilitate Tenant's construction of the new Improvements and/or engage in the Permitted Use of the Premises, then Landlord agrees to enter into such Easement, at Tenant's expense, *subject, however*, to the following conditions: (i) such Easement shall not result in any diminution in the value or utility of the Premises for use as a restaurant trading with members of the public; (ii) such Easement shall not render the use of the Premises dependent upon the use of any other property; and (iii) Tenant shall bear all costs of preparing and filing such Easement, including without limitation reimbursing Landlord's expenses, including reasonable attorney's fees, incurred in connection therewith. Any failure by Landlord to respond to Tenant's written request to approve any such Easement within thirty (30) days from the date of receipt thereof shall be deemed an approval of such Easement. Nothing contained in this paragraph shall be construed as limiting Landlord's right to establish or to agree to establish, amend, or terminate, at Landlord's option and Landlord's sole expense, any Easement from time to time and at any time during the Term of this Lease; *provided, however*, that Landlord shall provide Tenant with prior written Notice of any such proposed action, and that if any such action is substantially likely to impact Tenant's use and enjoyment of the Premises, Landlord shall not take such action without Tenant's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

4. Use of Premises; Quiet Enjoyment.

(a) Tenant shall use and occupy the Premises solely for the Permitted Use, and for no other use or purpose without the prior written consent of Landlord, which Landlord may grant or withhold in Landlord's sole and absolute discretion. Subject to applicable Law, Tenant shall have the right to operate and conduct its Permitted Use of the Premises _____ (____) hours per day, seven (7) days per week. Notwithstanding any other provision of this Lease, Tenant shall not cause or allow any use or occupancy of the Premises that in any manner (i) is unlawful or in furtherance of an unlawful purpose; (ii) violates any Legal Requirements, any Insurance Requirements; (iii) violates any condition of any Renovation Plan Approvals, Easements, Permitted Encumbrances, or any other covenants, restrictions, or agreements hereafter created by or consented to by Tenant applicable to the Premises; (iv) constitutes waste or otherwise has a material adverse effect on the value of the Premises; (v) constitutes nuisance or otherwise causes unreasonable annoyance (including but not limited to excessive noise or vibration, or offensive odors) to others; (vi) constitutes or creates a safety hazard to any person; (vii) constitutes or creates a threat to human health or the environment; (viii) without limitation of the foregoing, materially increases the likelihood that Tenant or Landlord would incur liability under any Environmental Laws; or (ix) without limitation of the foregoing, results in or gives rise to any material environmental deterioration or degradation of the Premises. Tenant will, if applicable, obtain and keep current an occupancy or use permit or license for the Premises and/or for the operation of any business conducted therein, and deliver current copies thereof to Landlord. Upon Notice from Landlord or from any Governmental Authority having jurisdiction, Tenant shall immediately discontinue or cause to be discontinued any use or occupancy of the Premises declared by Landlord or such authority to constitute a violation of any Legal Requirement. A judgment of any court of competent jurisdiction or the admission by Tenant in any action or proceeding against Tenant that Tenant has violated any such Legal Requirement shall be deemed to be a conclusive determination of that fact for purposes of determining that an Event of Default has occurred by reason thereof.

(b) Without limitation of the foregoing, Tenant shall not cause or allow the Premises to be used or occupied, or cause or permit anything to be done in, on, or about the Premises, in a manner

which would (i) affect the ability of Tenant to obtain any insurance that Tenant is required to furnish under this Lease, (ii) make void or voidable any required policy of insurance then in force, or (iii) cause any injury or damage to any of the Improvements unless expressly permitted under this Lease.

(c) Subject to all of the provisions of this Lease, so long as no Event of Default exists hereunder, Landlord covenants to do no act to disturb the peaceful and quiet occupation and enjoyment of the Premises by Tenant.

(d) Tenant shall not permit the use of any portion of the paved parking areas and drive aisles located on the Land for any purpose other than the short-term parking of operable motor vehicles by employees, customers, and other persons doing business at or using the business constituting the Permitted Use of the Premises. No structure may be erected upon or personal property (other than vehicles) stored upon any portion of the paved parking areas and drive aisles.

5. Term; Option to Renew.

(a) Unless renewed or terminated as provided herein, Tenant shall have and hold the Premises subject to all of the terms and conditions of this Lease, for the Initial Term. Because the Delivery Date (as well as the Rent Commencement Date, if it shall occur on a day other than the first day of a calendar month) shall precede the Lease Year Commencement Date, the first Lease Year of this Lease shall be deemed to include, in addition to the one (1) year period beginning on the Lease Year Commencement Date, the period commencing upon the Delivery Date and continuing until the Lease Year Commencement Date, notwithstanding the fact that the inclusion of the said period shall cause the first "Lease Year" to be a period of greater than one (1) calendar year; *provided, however*, that no Base Rent shall be due and payable for that portion of the first Lease Year occurring prior to the Rent Commencement Date (nor shall Tenant be responsible for Impositions charged as to any time period prior to the Rent Commencement Date except to the extent provided in Section 8(a)(iv) below). Landlord and Tenant agree to execute a supplemental document memorializing the Delivery Date, Rent Commencement Date, Lease Year Commencement Date, and the expiration date of the Initial Term of this Lease, as and when all of such reference dates can be confirmed, in the form attached to this Lease and incorporated herein as Exhibit C.

(b) Provided that Tenant's tenancy of the Premises shall not have been terminated pursuant to any applicable provisions of this Lease, and provided further that on the date of any exercise by Tenant of the renewal option described herein, no Event of Default (or any condition that with Notice or passage of time would constitute an Event of Default except to the extent that Tenant shall cure the same within any such applicable cure period) shall exist, Tenant may, at Tenant's option, renew this Lease for up to two (2) consecutive Renewal Terms. The Initial Term and each Renewal Term, if any (subject to any early termination pursuant to any applicable provisions of this Lease), are collectively referred to herein as the "Term." Tenant shall exercise its renewal option, if at all, by Notice to Landlord (the "Renewal Term Notice") delivered at least six (6) months prior to the expiration of the then current Term (whether the Initial Term or first Renewal Term). If Tenant does not deliver a Renewal Term Notice within the stated period, this Lease shall irrevocably expire effective as of 11:59 p.m. on the last day of the then current Term (unless sooner terminated pursuant to any applicable provisions of this Lease). If Tenant timely exercises its option to renew this Lease as stated herein, this Lease shall be extended into the Renewal Term effective as of 12:00 a.m. on the first (1st) day following the expiration of the preceding Term (which day shall also be an anniversary of the Lease Year Commencement Date). During each Renewal Term, if any, all provisions of this Lease shall continue in full force and effect, except that Base Rent shall be due at the rate set forth for such Renewal Term in Section 6(a) below, and Tenant shall have no further renewal option at the conclusion of the second (2nd) Renewal Term.

6. Rent.

(a) Tenant shall pay to Landlord, as minimum rent for the Premises during the Term, the amounts set forth below ("Base Rent"), which, to the extent that Tenant exercises its option extending the initial Term hereunder into one or more Renewal Terms, shall be adjusted on the anniversary of the Lease Year Commencement Date in Lease Years 11 and 16 as follows:

	<u>Lease Year</u>	<u>Annual Base Rent</u>	<u>Monthly Installments</u>
<u>Initial Term:</u>	1 – 5	\$ _____	\$ _____
	6 – 10	\$ _____	\$ _____
<u>Renewal Terms:</u> (optional)	11 – 15	\$ _____	\$ _____
	16 – 20	\$ _____	\$ _____

Tenant shall pay Base Rent in twelve (12) equal monthly installments as indicated above, in advance, commencing on the Rent Commencement Date and continuing on the first day of the second full calendar month of the first Lease Year and the first day of each calendar month thereafter during the Term; provided, however, that if the Rent Commencement Date shall occur on a date other than the first day of a calendar month, the initial installment of Base Rent paid on the Rent Commencement Date shall be the sum of (i) the Base Rent for the period from and including the Rent Commencement Date through and including the last day of the month in which the Rent Commencement Date occurs (such amount being calculated by dividing \$_____ by the number of days in such month, and multiplying such quotient by the numbers of days remaining in such month, from and including the Rent Commencement Date), and (ii) the Base Rent for the first full calendar month of the first Lease Year.

(b) [Intentionally Deleted.]

(c) All amounts, costs, expenses, liabilities, and obligations (excluding Base Rent) which Tenant is required to pay to Landlord pursuant to the terms of this Lease, and every fine, penalty, interest, and charge which may be imposed by Landlord under applicable Law for the nonpayment or late payment by Tenant of any amount of any kind required to be paid by Tenant under this Lease, shall be "Additional Rent" hereunder, whether or not specifically so described. Tenant shall pay all Additional Rent to Landlord as and when the same shall be due (without prior notification by Landlord unless and to the extent expressly set forth in this Lease) in the manner described in Section 6(d) hereinbelow. Wherever this Lease references Landlord's right to make written demand upon Tenant to pay or reimburse any sum to Landlord as Additional Rent, Landlord shall include in such Notice copies of any applicable back-up documentation (e.g., invoices, receipts) to substantiate Tenant's Additional Rent obligation. If any dispute arises in connection with the computation or estimation of any amount of Additional Rent due under this Section 6(c) or otherwise as claimed by Landlord under this Lease, Tenant shall promptly pay the amount specified by Landlord into a separate escrow account, to be released in whole or in part to the party entitled thereto, pending the outcome of any dispute resolution procedure as described in Section 6(f) below.

(d) Tenant's rent obligations are independent of any other obligations of Tenant or Landlord under this Lease. All amounts payable by Tenant to Landlord under this Lease, whether stated herein as being Base Rent, Additional Rent, or otherwise, shall be paid in full when due in legal tender of the United States without setoff, deduction, or demand, and Tenant hereby waives the benefit of any statute which would alter this agreement of the parties. All amounts to be delivered to Landlord at the address to which Notices to Landlord are to be given pursuant to Section 21 below, or to such other party and/or to such other address as Landlord may designate from time to time, by written Notice to Tenant. If

Landlord shall at any time accept any payment after it shall have become due and payable, such acceptance shall not excuse a delay upon subsequent occasions, or constitute or be construed as a waiver of any of Landlord's rights hereunder.

(e) If any amount required to be paid by Tenant under this Lease, whether characterized hereunder as Base Rent, Additional Rent, or otherwise, is not paid in full on or before the date when due, interest shall accrue on the unpaid balance on a daily basis, from the original due date of the delinquent amount until it is fully paid by Tenant, at the annual rate (the "Default Rate") equal to the greater of (i) two percent (2%) per annum above the then current "prime rate" of interest published in the Wall Street Journal (or its successor) as of such due date, or (ii) eight and one-quarter percent (8.25%) per annum; provided, however, that at no time shall the Default Rate exceed the highest interest rate permitted to be contracted for under applicable Law. In addition to the foregoing, if all or any portion of any installment of Base Rent remains unpaid as of the day that is five (5) calendar days after the due date for such installment, Landlord may, by written notice to Tenant, impose a late payment charge (the "Late Charge") equal to three percent (3%) of the amount past due. Moreover, if Tenant pays any amount due under this Lease by check and the check is bad or worthless, Tenant agrees to pay a One Hundred Dollar (\$100.00) charge (the "Returned Check Charge") to Landlord to offset administrative costs. Any Default Rate interest accruing hereunder and any Late Charge and any Returned Check Charge imposed by Landlord hereunder shall constitute Additional Rent and shall be paid in full by Tenant together with the original delinquent sum, and if not timely paid shall be added to the amount from which daily Default Rate interest is to be computed. Landlord's rights to enforce this Section 6(e) are in addition to and not in limitation of Landlord's rights, powers, and remedies set forth under Section 19 of this Lease upon any Event of Default.

(f) In the event of a dispute arising in connection with the computation or estimation of the amount of any Additional Rent due under Section 6(c) above, Landlord and Tenant agree to attempt diligently and in good faith to resolve any such dispute informally and amicably. However, if the parties, notwithstanding such efforts, remain at an impasse, either party shall have the right, by written Notice to the other (the "Mediation Notice"), to request that the dispute be resolved by a mutually acceptable, professionally qualified, independent third party acting as mediator, who shall meet with the parties, give each side an opportunity to state its position, and, prior to the conclusion of such meeting, render a decision, which the parties hereby agree shall be binding. In the event (i) the parties cannot agree upon a mutually acceptable mediator within ten (10) days after delivery of the Mediation Notice, or (ii) the mediator advises the parties at the mediation meeting that the dispute is of such a nature and scope that it requires a more formal and detailed dispute resolution proceeding, then either party shall have the right, by written notice to the other, to request that the dispute be resolved by an expedited binding arbitration proceeding to be conducted in Alexandria, Virginia in accordance with the applicable rules of the American Arbitration Association. If the mediator (and, if applicable, the arbitrator) shall issue a ruling in favor of either party, the non-prevailing party shall bear the reasonable costs (including without limitation the mediator's/arbitrator's fee and reasonable attorneys' fees) incurred by the prevailing party in connection therewith.

(g) Landlord and Tenant hereby mutually represent and warrant that this Lease is a true lease and does not represent a financing arrangement. Each party shall reflect the transactions represented by this Lease in all applicable books, records and reports (including, without limitation, income tax filings) in a manner consistent with "true lease" treatment rather than "financing" treatment.

7. Net Lease; Non-Terminability.

(a) This Lease is an absolutely net lease, and Landlord shall have no responsibility or liability for any Impositions (including without limitation any taxes or utility costs) or any insurance premiums, maintenance costs, or other costs or expenses whatsoever arising in connection with the

Premises and Tenant's use and occupancy thereof, except and to the extent expressly stated in this Lease. Tenant shall pay all Base Rent, Additional Rent, and all other sums payable hereunder by Tenant, without Notice, demand, setoff, counterclaim, recoupment, abatement, suspension, deferment, diminution, deduction, reduction, or defense, except and to the extent expressly stated in this Lease. Nothing in the preceding sentence shall be construed as limiting Tenant's right to bring a separate legal action against Landlord for any legal claims that Tenant may assert under this Lease or otherwise.

(b) Except as otherwise expressly provided in this Lease, this Lease shall not terminate and Tenant shall not have any right to terminate this Lease, during the Term. Except as otherwise expressly provided in this Lease, Tenant shall not be entitled to any setoff, counterclaim, recoupment, abatement, suspension, deferment, diminution, deduction, reduction or defense of or to Base Rent, Additional Rent, or any other sums payable under this Lease; and except as otherwise expressly provided in this Lease, the obligations of Tenant under this Lease shall not be affected by any interference with Tenant's use of any of the Premises for any reason, including but not limited to the following: (i) any damage to or destruction of any of the Premises by any cause whatsoever; (ii) any Taking; (iii) the prohibition, limitation or restriction of Tenant's use of any of the Premises, except where the same results from a breach of Landlord's representations, warranties, and covenants in Section 32; (iv) any eviction pursuant to the terms of this Lease, excluding, however, any eviction by paramount title; (v) any default on the part of Landlord under this Lease or under any other agreement; (vi) any latent or other defect in, or any theft or loss of any of the Premises; (vii) the breach of any warranty of any seller or manufacturer of any of the Fixtures; or (viii) any other cause, whether similar or dissimilar to the foregoing, any present or future Law to the contrary notwithstanding. It is the intention of the parties hereto that the obligations of Tenant under this Lease shall be separate and independent covenants and agreements, and that Base Rent, Additional Rent, and all other sums payable by Tenant hereunder shall continue to be payable in all events (or, in lieu thereof, Tenant shall pay amounts equal thereto), and that the obligations of Tenant under this Lease shall continue unaffected, unless this Lease shall have been terminated pursuant to an express provision of this Lease.

(c) Tenant agrees that it shall remain obligated under this Lease in accordance with its provisions and that, except as otherwise expressly provided herein, it shall not take any action to terminate, rescind, or avoid this Lease, notwithstanding (i) any bankruptcy, insolvency, reorganization, composition, readjustment, liquidation, dissolution, winding-up or other proceeding affecting Landlord; or (ii) the exercise of any remedy, including foreclosure, under the Mortgage.

(d) This Lease is the absolute and unconditional obligation of Tenant. Tenant waives all rights which are not expressly stated in this Lease but which may now or hereafter otherwise be conferred by Law (i) to quit, terminate, or surrender this Lease or any of the Premises; (ii) to make or attempt to make any setoff, counterclaim, recoupment, abatement, suspension, deferment, diminution, deduction, reduction, or other defense or avoidance of or to the duty to pay, when due, all Base Rent, Additional Rent, and any other sums payable under this Lease, except as otherwise expressly provided in this Lease; and (iii) for any statutory lien or offset right against Landlord or its property. Notwithstanding the preceding provisions of this Section 7(d) or any other provision of this Lease, Tenant shall have the right to pursue any remedies available to Tenant pursuant to Section 37 upon the occurrence of a Landlord Default.

8. Payment of Impositions; Compliance with Legal Requirements and Insurance Requirements.

(a) (i) Except where Tenant pursues a permitted contest as set forth in Section 18 below, during the Term of this Lease (subject to Section 8(a)(iv) below) Tenant shall be solely responsible for, and shall pay and discharge, promptly and before any interest or penalties are due thereon, any and all of the following (collectively, the "Impositions"): all taxes of every kind and nature

(including without limitation real property, ad valorem, personal property, gross income, franchise, withholding, profits, and gross receipts taxes) on or with respect to the Premises or Tenant's business conducted thereon; without limitation of the foregoing, all charges, fees, taxes, and payments of any kind required under the Land Records of the City of Alexandria, Virginia under any Easement, now or (with Landlord's and Tenant's consent) in the future; all impact fees and other development fees required by any Governmental Authority; all general and special assessments, levies, Permits, inspection fees, and license fees on or with respect to the Premises; all water and sewer rents and other utility charges on or with respect to the Premises, whether such utilities are supplied by Governmental Authorities or by private companies; and all other obligations for any and all other governmental charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature whatsoever, including without limitation assessments for sidewalks, streets, sewers, water, or any public improvements, and any other improvements or benefits, which shall, during the term of this Lease, be made, assessed, levied, or imposed upon, or become due and payable in connection with a lien upon, the Premises or any part thereof, or any Improvements thereon, or any activity or operation conducted thereon, or otherwise in connection with this Lease. Landlord agrees to cooperate with Tenant to enable Tenant to receive tax bills, utility bills, and other bills or invoices with respect to any Imposition directly from the billing authorities. Tenant shall contract in its own name and pay for all utility services used by Tenant in or on the Premises.

(ii) [Intentionally deleted.]

(iii) In the event that any Impositions against any of the Premises are allowed by the Governmental Authority imposing such Impositions be paid in installments, Tenant shall have the option to pay the same in accordance with the allowed installment schedule, in which case Tenant shall be liable only for those installments which become due and payable during the Term. Tenant shall be solely responsible to prepare and file all tax reports and any and all other documents, forms, and reports relating to the Impositions as may be required by the applicable Governmental Authorities. Tenant shall deliver to Landlord, within twenty (20) days after Landlord's written request therefor, copies of all settlements and notices pertaining to any Imposition which may be issued by the applicable Governmental Authority, and receipts for payments of all Impositions made during each calendar year of the Term, within thirty (30) days after payment.

(iv) Notwithstanding any other provision of this Section 8(a), Tenant shall not be required to pay and discharge any Impositions or portions thereof that occur, accrue, or otherwise are charged for any date prior to the Rent Commencement Date or after the Term, except where such Impositions arise directly in connection with Tenant's (or its agents') occupancy or other activities at the Premises on such date, including but not limited to performance of Tenant's Work. If the date on which Tenant becomes the responsible party for payment of any Impositions (whether the Rent Commencement Date or an earlier date in accordance with the preceding sentence) falls within any specifically invoiced span of days for which such Impositions are charged, Tenant and Landlord shall cooperate in the payment thereof, with Landlord being responsible for the Impositions for the days preceding the date on which responsibility for such Impositions vested with Tenant, and with Tenant being responsible for the Impositions for the balance of such invoiced period beginning on such vesting date.

(v) If Tenant (other than pursuant to a permitted contest as referenced in Section 8(a)(i) above and discussed in Section 18 below) fails to pay any Imposition or portion thereof required to be paid by Tenant under this Section 8(a), Landlord shall have the right (but not the obligation) after thirty (30) days' written Notice delivered to Tenant, and Tenant's failure to cure during said period, to pay the same (including any applicable interest or penalties thereon), for the account of and at the expense of Tenant. Tenant shall reimburse Landlord for all reasonable costs and expenses (including, without limitation, attorneys' fees) incurred by Landlord in connection with the curing of Tenant's defaults as herein described, as Additional Rent payable immediately upon written demand therefor by Landlord; if

Tenant fails to make such reimbursement within five (5) business days following such written demand, interest shall accrue on the outstanding balance thereof, at the Default Rate, from the date of Landlord's payment until fully paid by Tenant.

(b) Subject to the provisions of Section 18 hereof, Tenant shall promptly comply with and conform to all of the Legal Requirements and Insurance Requirements.

9. Liens; Recording and Title.

(a) Subject to the provisions of Section 18 hereof, Tenant shall not, directly or indirectly, create or permit to be created or to remain, and shall promptly discharge, any lien on the Land or Premises and/or on the Base Rent, Additional Rent, or any other sums payable by Tenant under this Lease (excluding the Mortgage, the Permitted Encumbrances, and any other mortgage, lien, encumbrance, or other charge created by or resulting from any act or omission by Landlord or those claiming by, through, or under Landlord, other than Tenant, and further excluding the Leasehold Mortgage). Landlord shall not be liable for any labor, services or materials furnished or to be furnished to Tenant, under Section 11 below or otherwise, or to anyone holding any of the Premises through or under Tenant, and no mechanics' or materialmen's liens or other liens for any such labor, services or materials shall attach to or affect the interest of Landlord in and to any of the Premises.

(b) Landlord agrees that if so requested by Tenant, Landlord will execute a Memorandum of Lease substantially in the form attached hereto as Exhibit D, to be recorded among the Land Records of the City of Alexandria, Virginia, and shall take such other and further action as may be reasonably necessary to give members of the public and all persons now or hereafter interested in title to the Land or any other part of the Premises notice of the existence and validity of this Lease; provided, however, that no copy of this Lease, and no other instrument setting forth the rental provisions contained herein shall be filed for public record among such Land Records or otherwise. Tenant shall be responsible for all costs, expenses, charges, and taxes in connection with the recordation of any such Memorandum of Lease. If such a short form of this Lease is recorded, upon the termination of this Lease Tenant shall execute, acknowledge, and deliver to Landlord an instrument in writing releasing to Landlord all right, title, and interest of Tenant in and to the Premises arising from this Lease or otherwise, all without cost or expense to Landlord.

(c) Nothing in this Lease and no action or inaction by Landlord shall be deemed or construed to mean that Landlord has granted to Tenant any right, power, or permission to do any act or to make any agreement which may create, give rise to, or be the foundation for, any right, title, interest or lien in or upon the estate of Landlord in any of the Premises.

(d) Landlord agrees that should Tenant obtain loan financing secured by Tenant's leasehold interest in this Lease to renovate, furnish, or equip the Building, or to operate the business constituting the Permitted Use, any lien in favor of Landlord that may be created by operation of law in and to the Building, any Fixtures (including without limitation all signage and Trade Fixtures), any personal property used in Tenant's business operations at the Premises, or any Alterations, shall be subordinate to the security interest of Leasehold Mortgagee.

10. Indemnification.

(a) Tenant agrees to defend, pay, protect, indemnify, save and hold harmless Landlord, and Landlord's employees, contractors, and invitees, from and against any and all liabilities, losses, damages, penalties, costs, expenses (including reasonable attorneys' fees and expenses), causes of action, suits, claims, demands, or judgments of any nature whatsoever, howsoever caused, arising from, connected with, or occurring on the Premises or any portion thereof (including without limitation rights

and obligations under any Easement in accordance with Section 3(f)) or arising from the use, non-use, occupancy, condition, design, construction, performance of Tenant's Work, Alteration, maintenance, repair, rebuilding, or Restoration of the Premises, or from the access to and entry upon the Premises by Tenant and its agents and contractors to conduct Studies in accordance with Section 1(b), or from any proposed Transfer of this Lease to which Landlord declines consent in accordance with Section 17(j), whether or not such indemnified party has or should have knowledge or notice of the defect or conditions, if any, causing or contributing to said injury, death, loss, damage, or other claim; except to the extent that any such liability, loss, damage, penalty, cost, expense, cause of action, suit, claim, demand, or judgment is the result of the gross negligence or intentional misconduct of such indemnified party; and further, except where another provision of this Lease (including without limitation Section 26), governs the parties' applicable indemnification obligations with regard to any particular matter. In case any action or proceeding is brought against any indemnified party by reason of any such claim against which Tenant has agreed to defend, pay, protect, indemnify, save, and hold harmless pursuant to the preceding sentence, Tenant covenants upon Notice from such indemnified party to resist or defend such indemnified party in such action, with the expenses of such defense paid by Tenant, and such indemnified party will cooperate and assist in the defense of such action or proceeding if reasonably requested so to do by Tenant.

(b) Landlord agrees to defend, pay, protect, indemnify, save and hold harmless Tenant and any Leasehold Mortgagee, and their officers, directors, shareholders, partners, attorneys, beneficial owners, trustees, members, managers, and employees, from and against any and all liabilities, losses, damages, penalties, costs, expenses (including reasonable attorneys' fees and expenses), causes of action, suits, claims, demands, or judgments of any nature whatsoever, arising from or in connection with, or caused by, the gross negligence or intentional misconduct (or, with respect to the performance of Landlord's Work only, the simple negligence) of Landlord, its employees, independent contractors and agents; except to the extent that any such liability, loss, damage, penalty, cost, expense, cause of action, suit, claim, demand, or judgment is also the result of the gross negligence or intentional misconduct of such indemnified party; and further, except where another provision of this Lease (including without limitation Section 26), governs the parties' applicable indemnification obligations with regard to any particular matter. In case any action or proceeding is brought against any indemnified party by reason of any such claim against which Landlord has agreed to defend, pay, protect, indemnify, save, and hold harmless pursuant to the preceding sentence, Landlord covenants upon Notice from such indemnified party to resist or defend such indemnified party in such action, with the expenses of such defense paid by Landlord, and such indemnified party will cooperate and assist in the defense of such action or proceeding if reasonably requested so to do by Landlord.

(c) The respective obligations of Tenant and Landlord under this Section 10 shall survive any termination of this Lease.

11. Tenant's Work; Other Alterations.

(a) Commencing on the Delivery Date, subject to Tenant then holding all applicable Permits, Tenant (including without limitation any contracting firm(s) engaged by Tenant, and all subcontractors, independent contractors, architects, engineers, agents, and any others employed or engaged by Tenant, directly or indirectly, for such purposes) shall undertake to perform, at Tenant's sole expense, all items of Tenant's Work as defined herein, promptly, diligently, in a good and workmanlike manner, using quality materials, in compliance with all applicable Legal Requirements and Insurance Requirements, and in accordance with all specifications and conditions set forth on the approved Renovation Plans, the Drawings and Plans, and any other Permit or other document issued or approved in conjunction with the Renovation Plan Approvals (including without limitation any Building footprint requirements, any minimum setback requirements, any height restrictions, and any other requirements contained or referenced therein). As used herein, "Tenant's Work" shall mean the Renovation Project generally, including without limitation (i) demolition of any portion of the Building and any other existing

Improvements, and removal of all rubble and debris for proper and legal disposal at an authorized facility for such material; (ii) any intermediate steps (for example, without limitation, any excavation, sheeting, shoring, and bracing work, any compacting or slab work or other construction pad preparations, and any infrastructure or utility connection work) required to prepare the Land for renovation of the Building and construction of any new Improvements following all demolition and removal activities described in part (i) of this sentence; (iii) renovation of the Building and any other Improvements, and construction of any new Improvements pursuant to the Renovation Plans; and (iv) installation in, on, and about the Building of all Fixtures and Trade Fixtures that are specified in the Drawings and Plans and/or that are requisite or advisable in Tenant's reasonable business judgment to complete the restaurant facilities constituting the Permitted Use of the Premises, and to open and operate such facility for business with members of the public. In proceeding with the Tenant's Work as described herein, Tenant shall ensure that any contracts or agreements with Tenant's architects, engineers, and general contracting firm or design/build firm state that Landlord as well as Tenant is an intended beneficiary of the services to be provided thereunder. All architects, engineers, contractors, and subcontractors engaged to perform any work on the Renovation Project shall be licensed to perform such work in the Commonwealth of Virginia. Tenant shall have no authority, express or implied, to cause or allow any lien or encumbrance of any kind or nature to be created or placed upon Landlord's interests under this Lease, in connection with the Renovation Project or any Alteration (discussed below) or otherwise; Tenant hereby covenants and agrees to pay promptly all sums legally due and payable by Tenant on account of any labor performed, or on account of any material supplied, on or to the Premises as to which any such lien is or may legally be asserted against Tenant's interests under this Lease. Tenant shall use reasonable diligence to ensure that all Tenant's Work described herein is substantially completed no later than _____ (_____) days following the Delivery Date, plus the actual number of days during which Tenant's Work cannot proceed due to Excusable Delays. During the Renovation Project Tenant shall allow Landlord and its agents periodically to visit the Premises to inspect the job progress to ensure compliance with the requirements of this Lease relating thereto. Subject only to Excusable Delays, Tenant's discontinuation of Tenant's Work prior to substantial completion shall constitute an Event of Default under this Lease.

(b) Title to the Building, all signage and Fixtures, and all other Improvements constructed by Tenant as part of Tenant's Work, as well as all Alterations, Restorations, maintenance and repairs thereof or thereto, (but not title to any of Tenant's Trade Fixtures, all of which shall be solely owned by Tenant and all of which Tenant shall be permitted to remove upon termination of this Lease, should Tenant so elect, subject, however, to any security interests Tenant shall have granted in same) shall (provided that construction of all of the foregoing shall be performed in accordance with the requirements of this Lease) be vested in and shall remain the property of Tenant at all times during the Term of this Lease; *provided, however*, that upon the expiration of this Lease or earlier termination hereof for any reason, title to all of the foregoing shall immediately, automatically, and irrevocably vest in, revert to, and become the property of Landlord, subject only to Tenant's rights in the event of a Taking as set forth in Section 13 below. Tenant shall repair at its sole expense any damages caused by the removal of Trade Fixtures and shall not remove any such items if doing so would cause damage to the structural integrity of the Building or other Improvements. Reversion of the Improvements to Landlord shall automatically include reversion to Landlord of all warranties, guaranties, and indemnities, express or implied, and similar rights which Tenant may have against any manufacturer, seller, engineer, contractor, or builder in respect of any of the Premises, including, but not limited to, any rights and remedies existing under contract or pursuant to the Uniform Commercial Code (collectively, the "guaranties"). The foregoing provision of reversion shall be self-operative and no further instrument of assignment shall be required; notwithstanding the foregoing, Tenant hereby agrees to execute and deliver at Tenant's expense any certificate, power of attorney, or other instrument which Landlord may reasonably request to ensure to Landlord the full benefit of the guaranties following reversion as described herein. Any monies collected by Tenant under any of the guaranties after the occurrence of and during the continuation of an Event of Default shall be held in trust by Tenant and promptly paid over to Landlord.

(c) During the Term, Tenant shall not make any Alteration which would (after the completion thereof) impair the structural integrity of the Premises, without Landlord's prior written consent, which Landlord agrees not to unreasonably withhold, condition, or delay. Except as aforesaid, Tenant may make any Alteration without the prior written consent of the Landlord, provided such Alterations comply with all of the provisions of Section 11(d) below.

(d) In connection with any and all Alterations, Tenant agrees that: (i) the fair market value of the Premises shall not be lessened in any material respect after the completion of any such Alteration, or its structural integrity impaired; (ii) to the extent applicable, Tenant shall have obtained Architectural Approval for the Alteration; (iii) the Alteration shall be performed in a good and workmanlike manner, and shall be expeditiously completed in compliance with all Legal Requirements; (iv) Tenant shall comply with all Insurance Requirements in connection with the Alteration; (v) Tenant shall promptly pay all costs and expenses of the Alteration, and shall (subject to the provisions of Section 18 hereof) promptly discharge all liens filed against any of the Premises arising out of the same; (vi) Tenant shall procure and pay for all permits and licenses required in connection with the Alteration; (vii) the Alteration shall be the property of Tenant, subject, however, to reversion to Landlord as set forth in Section 11(b) above, and subject to all other terms of this Lease; (viii) if the estimated cost of the Alteration exceeds Twenty Thousand Dollars (\$20,000.00), the Alteration shall be performed in accordance with plans and specifications which shall be submitted for informational purposes only to Landlord, prior to the commencement of the Alteration; (ix) Tenant shall give Landlord Notice of the Alteration before commencing work; (x) any contractors and any subcontractors engaged to perform the Alteration shall be licensed to perform the work in the Commonwealth of Virginia; and (xi) Tenant shall indemnify, defend, and hold harmless Landlord from and against any liability relating to the Alteration, on the terms and conditions set forth in Section 10(a), whether or not Landlord would otherwise, under any applicable Law, be required to take any action in connection therewith or be liable for failure to do so.

12. Maintenance and Repair.

(a) Following performance of the Tenant's Work as described in Section 11(a) above, and at all times thereafter during the Term of this Lease, Tenant shall, at Tenant's sole cost and expense, put, keep, and maintain the Premises (including without limitation the Building, grounds, paving, parking areas, drive aisles, walkways, landscaping, trees and shrubs, infrastructure and utility connections, and any and all other Improvements and Fixtures), whether now in existence or hereafter built, installed, or planted, in good order and condition and shall make or cause to be made all necessary repairs, Alterations, and/or replacements thereto, whether interior or exterior, structural or nonstructural, ordinary or extraordinary, foreseen or unforeseen, reasonable wear and tear excepted. All such repairs, Alterations, and replacements shall be equal in quality to the original work and shall be made promptly, diligently, and in a good and workmanlike manner. Tenant, at Tenant's sole cost and expense, shall keep all sidewalks and handicapped ramps adjoining and serving the Building, and all parking areas and drive aisles on the Land, in a clean and orderly condition, free of snow, ice, and debris, and shall keep all entrances, passageways, and internal areas of the Improvements in a clean, safe, and sanitary condition, free of rubbish, and obstructions. Without limitation of the foregoing, Tenant shall maintain any and all public walkways situated on any portion of the Land, which provide public access to the Alexandria Waterfront and to the wood pier that is the launch site for dinner boat cruises, continuously open, unobstructed, and unused for any purpose of Tenant, ensuring that members of the public may enjoy unlimited pedestrian use thereof at all times during the Term. Tenant, at Tenant's sole cost and expense, shall provide for the prompt and regular removal of trash and rubbish from the Premises for disposal in accordance with applicable Law. Landlord shall have no maintenance and repair responsibilities for the Premises whatsoever under this Lease, it being hereby expressly intended and understood that Tenant shall have full and exclusive responsibility for the Premises throughout the Term. Tenant hereby expressly waives the right to make any repairs to the Premises at the expense of Landlord, to the extent

that any such right may be construed as existing under any Law now or hereafter in effect. Nothing in the preceding sentence shall be deemed to preclude Tenant from being entitled to any insurance proceeds or condemnation awards for any Restoration pursuant to Sections 13 and 14 of this Lease. Tenant shall indemnify, defend, and hold harmless Landlord with respect to any liability or claim arising in connection with any maintenance or repairs performed in, on, upon, or about the Premises, or any failure or delay in performing any such maintenance or repairs during the Term of this Lease, on the terms and conditions set forth in Section 10(a). Tenant shall promptly furnish to Landlord copies of all notices delivered to Tenant by any Governmental Authorities or quasi-governmental authorities, including without limitation the Board of Architectural Review, concerning any maintenance and repair matters affecting the Premises (including without limitation any maintenance or repair requirements occasioned by environmental or public health concerns), along with copies of all responses delivered by Tenant to such authorities in connection therewith.

(b) Tenant hereby acknowledges that because the initial Permitted Use of the Premises is a restaurant use (including any incidental and ancillary use thereof), Tenant's ordinary and routine maintenance responsibilities for the Premises shall include all necessary and appropriate actions to keep the Premises (including without limitation the Improvements) free of vermin, insects, offensive odors, contaminants, accumulated food wastes and other trash, and any other unsanitary or unsafe condition in and about the Premises required to be controlled or prevented in accordance with industry standards and with public health, fire, and safety codes and any other Legal Requirements imposed by any Governmental Authorities. Tenant shall indemnify, defend, and hold harmless Landlord from and against any liability arising in connection with any condition at the Premises (including but not limited to any action or omission by Tenant or its agents or employees in the conduct of Tenant's business operations at the Premises) that violates any such industry standard or Legal Requirements relating to Tenant's Permitted Use, on the terms and conditions set forth in Section 10(a), whether or not Landlord would otherwise, under any applicable Law, be required to take any action in connection therewith or be liable for failure to do so.

(c) In the event that the Building or any Improvements shall violate any Legal Requirements or Insurance Requirements or shall encroach upon the property of another person or entity and, as a result of such violation or encroachment, any enforcement action (including without limitation civil or criminal action by any Governmental Authority or private party) is threatened or commenced against Tenant or Landlord or with respect to the Premises, then Tenant shall immediately notify Landlord of same and shall, at Tenant's sole cost and expense, as specifically requested by Landlord, either (i) obtain valid and effective waivers or settlements of all claims, liabilities, and damages resulting from each such violation or encroachment, whether the same shall affect Landlord or Tenant or both of them; or (ii) perform or cause to be performed such repairs or Alterations as shall be necessary and appropriate to correct and remove such violation or encroachment, with all such work being performed in conformity with the requirements of this Section 12, as well as those of Section 11 above (whether such work is characterized as an "Alteration" or not).

(d) If Tenant shall fail to perform or cause to be performed any work required under this Section 12, and if Tenant fails to cure such breach within thirty (30) days after Landlord delivers written Notice to Tenant thereof, then in such event Landlord shall have the right (but not the obligation) to enter upon the Premises upon reasonable Notice to Tenant (which shall be not less than five (5) business days except in the case of emergency) and to perform or cause to be performed such work as Landlord shall deem necessary and appropriate under the circumstances, for the account of and at the expense of Tenant. In the event of an emergency entry Landlord shall use reasonable efforts to notify Tenant of the situation by phone or other available communication. Tenant shall reimburse Landlord for all reasonable costs and expenses (including, without limitation, attorneys' fees) incurred by Landlord in connection with the curing of defaults as herein described, as Additional Rent payable immediately upon written demand therefor by Landlord; if Tenant fails to make such reimbursement within five (5) business

days following such written demand, interest shall accrue on the outstanding balance thereof, at the Default Rate, from the date of Landlord's payment until fully paid by Tenant.

13. Condemnation.

(a) Tenant and Landlord each agree, immediately upon obtaining knowledge of the institution of any proceeding for a Taking of all or any portion of the Premises, to notify the other party thereof.

(b) In the event the entire Premises shall be acquired by a permanent Taking, the rights and obligations of the parties hereunder (except rights and obligations arising prior to such Taking and except rights and obligations provided in this Section 13) shall terminate as of the date of such Taking. The parties hereby agree to look solely to the Net Award of the Taking for compensation, in the order of priority provided under Section 13(e) below, for their respective interests in the Premises, and there shall be an abatement in the payment of Base Rent and all other sums payable by Tenant under this Lease from and after the date of the Taking.

(c) If there is a permanent Taking of any portion of the Premises less than the whole (including without limitation a Taking by regulatory action restricting Tenant's Permitted Use thereof, and/or a Taking of a portion of the parking area available for use by Tenant's customers and employees, and/or a Taking of the existing drive aisles providing vehicular access to the Premises without providing any substantially equivalent alternative means of access), after which, even after any Restoration, it shall no longer be reasonably economical or practical for Tenant (in its sole but reasonable business judgment) to continue its business operations at the Premises, then Tenant shall have the right, at Tenant's option, of terminating this Lease by written Notice to Landlord within ninety (90) days after notice of such Taking, except that there shall be an equitable apportionment of the Net Award of the Taking as set forth in Section 13(e). Any termination Notice delivered by Tenant to Landlord as provided in this Section 13(c) shall be effective as of the date given, and there shall be an abatement in the payment of Base Rent and all other sums payable by Tenant under this Lease as of such date.

(d) If there shall be a permanent Taking of any portion of the Premises less than the whole, which does not result in a termination of this Lease as provided in Section 13(c), the Base Rent shall be reduced, as of the date of the Taking, in the same proportion by which the Taking shall require a curtailment of Tenant's business operations constituting the Permitted Use, compared to Tenant's use of the Premises immediately prior to the Taking, but all other provisions of this Lease shall continue in force and effect. To the extent that Landlord receives a Net Award of such Taking (as provided in this Section 13), and further, to the extent that Restoration of that portion of the Premises remaining following such Taking is required in order that Tenant may continue its business operations constituting the Permitted Use in a manner comparable to Tenant's use of the Premises immediately prior to the Taking, Landlord shall hold the Net Award initially for the benefit of Tenant and shall make that portion of the Net Award equal to the cost of Restoration (the "Restoration Award") available to Tenant to use for such Restoration, subject to the requirements of Section 15. Tenant shall utilize the Restoration Award to commence and diligently complete Restoration of the Premises to a condition and character that allows Tenant to engage in the business operations constituting the Permitted Use in a manner as nearly comparable as possible to Tenant's use of the Premises immediately prior to the Taking, whereupon the Base Rent, to the extent theretofore reduced in connection with such Taking, shall be readjusted to the level, up to and including the applicable amount stated in this Lease, that accords with the restoration of Tenant's ability to conduct its business operations. The balance of the Net Award (including the balance of the Restoration Award, if any) shall then be paid in the order of priority provided under Section 13(e) below.

(e) Subject to the foregoing requirements of this Section 13 (and subject also, for purposes of determining the value of the portion of the Premises taken, if the parties shall not otherwise

agree, to the Appraisal Procedure set forth in Section 13(h) below), the Net Award of any Taking, if any, shall be paid, subject in each case to the extent of availability of remaining funds, as follows and in the following order of priority:

(i) [Intentionally deleted.]

(ii) So long as (but only so long as) the Taking shall be pursuant to an exercise of powers of the federal government of the United States of America or the government of the Commonwealth of Virginia, but not an exercise of powers of the City of Alexandria, then Landlord shall be paid a sum equal to the value of the portion of the Premises taken (valued unencumbered, exclusive of the Improvements and as unimproved ground, based upon use of the Premises as a restaurant – such valuation method being referred to in this Section 13 as the “Valuation Method”); plus the present value of Landlord’s reversionary interest in the Improvements at the end of the Term pursuant to Section 11(b);

(iii) Any Leasehold Mortgagee shall be paid the amount (up to the entire loan balance) then due and payable in accordance with the terms and conditions of such Leasehold Mortgagee’s loan documents;

(iv) Tenant shall be paid a sum equal to the value of the Improvements (or, in the event of a partial Taking, the cost of repairing any damages to the Improvements); plus the loss, removal, or repair of Trade Fixtures; plus the loss of goodwill or profit in the business constituting the Permitted Use; plus (if applicable) Tenant’s moving expenses and other expenses incidental thereto; less any amount paid to any Leasehold Mortgagee pursuant to Section 13(e)(iii);

(v) If any balance of the Net Award remains following the foregoing payments, it shall be divided between Landlord and Tenant in the ratio that the sum of items (i) and (ii) above bears to the sum of items (iii) and (iv) above.

(f) In the event of a temporary requisition, condemnation, confiscation, or other temporary Taking of the use or occupancy of the Premises, in whole or in part, by any federal or state Governmental Authority, whether civil or military (including without limitation any of the foregoing resulting from an agreement with such Governmental Authority in settlement of or under threat of any such requisition or confiscation), Landlord shall apply the Net Award from such temporary Taking, to the extent available, as a credit to Tenant for all Base Rent, Additional Rent, or other sums payable by Tenant under this Lease thereafter for the duration of such temporary Taking, and if any balance of such sums payable by Tenant under this Lease remains unpaid, such balance shall be paid by Tenant, subject, however, to an equitable reduction in the same proportion by which such temporary Taking shall require a curtailment of Tenant’s business operations constituting the Permitted Use, compared to Tenant’s use of the Premises immediately prior to such Taking. Notwithstanding the foregoing, if the amount of the Premises so taken, and/or if the anticipated duration of such temporary Taking, is so extensive that Tenant, in its reasonable business judgment, determines that the provisions of Section 13(c) apply, then Tenant may exercise the termination right set forth in said Section 13(c). If the Term of this Lease shall expire while there remains any balance of a Net Award from any such temporary Taking not previously credited to Tenant on account of the Base Rent or Additional Rent as aforesaid, such balance shall be retained by Landlord.

(g) Tenant shall have a right to make a separate claim against the condemning authority for any or all of the following: the value of Tenant’s leasehold interest created by this Lease, the value of the Improvements or the costs of repairing damage thereto, the loss of goodwill or profit in

the business constituting the Permitted Use, the loss, removal, or repair of the Trade Fixtures, or Tenant's moving expenses and other expenses incidental thereto. Tenant and any Leasehold Mortgagee, as their interests may appear shall be entitled to intervene in any Taking proceeding concerning the Premises to which Landlord is a party, and Landlord (so long as the Taking shall be pursuant to an exercise of powers of the federal government of the United States of America or the government of the Commonwealth of Virginia, but not an exercise of powers of the City of Alexandria) and any Leasehold Mortgagee, as their interests may appear, shall be entitled to intervene in any Taking proceeding concerning the Premises to which Tenant is a party.

(h) Determination by the parties of the value of the Premises, the Improvements, the Premises with the Improvements, or an interest therein, for purposes of determining the value of any portion of the Premises taken, and making an equitable apportionment of the Net Award of the Taking as set forth in Section 13(e), if the parties shall not otherwise agree, shall be in accordance with the following procedure (the "Appraisal Procedure"):

(i) The value of the Improvements shall be deemed to be the difference between the value of the Premises together with the Improvements and the value of the Premises alone. Landlord shall promptly request an appraisal by an appraiser designated by Landlord. Tenant may either accept such appraisal or reject such appraisal. In the event Tenant rejects such appraisal, Tenant shall promptly designate a second appraiser and the two appraisers shall select a third appraiser within fifteen (15) days of their selection. Each appraiser shall make an independent appraisal. If two or three of the appraisers determine the same appraised value, that value shall be the appraised value hereunder. If not, the appraised value hereunder shall be the value that is neither the highest nor the lowest of the three appraisals.

(ii) In making the appraisal of the Premises, each appraiser shall value the Premises in accordance with the Valuation Method. In making the appraisal of the Premises together with the Improvements, each appraiser shall determine the fair market value thereof, unencumbered, based upon use of the Premises and Improvements as an operating restaurant.

(iii) Landlord and Tenant shall each pay the cost of the appraiser designated by them and shall divide equally the cost of the third appraiser. In the event that either Landlord or Tenant refuses or fails to appoint an appraiser within fifteen (15) days of when required hereunder, the President of the Northern Virginia Association of Realtors (or if such shall not then be in existence, any successor or similar organization) shall, at the request of the other party, appoint such appraiser, whose fees shall be paid by the party required to designate that appraiser. All appraisers selected hereunder shall be M.A.I. designated and shall be familiar with commercial properties in the Old Town Alexandria area.

14. Insurance; Damage or Destruction.

(a) Tenant shall maintain at its sole cost and expense, at all times during the Term, the following insurance in respect of the Premises:

(i) Insurance with respect to the Improvements and Fixtures against any peril included within the classification "All Risks of Physical Loss" (extended coverage, non-reporting Commercial Property Policy with Special Cause of Loss form), including, without limitation, insurance against loss or damage by fire, lightning, windstorm, civil commotion, smoke, hail, aircraft, vandalism, explosion, riot, strike, water damage, sprinkler leakage, collapse and malicious mischief (and further including, if the Premises is located within a flood hazard area, flood insurance under the same or a separate policy), in amounts sufficient to prevent Tenant (or Landlord) from becoming a co-insurer within the terms of the applicable policies, with replacement cost valuation for the Improvements and Fixtures

(excluding footings and foundations and any other parts of the Improvements which are not insurable), including not less than twelve (12) months of coverage for business interruption;

(ii) Commercial general liability insurance against claims for bodily injury, death, or property damage occurring on, in, or about the Premises, with minimum combined single limits of liability of Three Million Dollars (\$3,000,000.00) for bodily injury or death, per occurrence, and One Hundred Thousand Dollars (\$100,000.00) for property damage, per occurrence, provided that such insurance limits may be met by Tenant through an excess/umbrella liability insurance policy;

(iii) During the Renovation Project, and to the extent applicable, during construction of any Alterations, Builder's All Risk Insurance made payable to the Landlord and Tenant, as their interests may appear, in an amount not less than 100% of the estimated completed value of the Improvements, containing the statement "Permission granted to complete and occupy":

(iv) Statutory workers' compensation insurance as required by applicable Law with respect to any and all work done in, on, or about the Premises by Tenant; and

(v) Insurance against loss or damage from explosion of any steam or pressure boilers or similar apparatus located in or about the Improvements, in an amount not less than the actual replacement cost of the Improvements and Fixtures (excluding footings and foundations and other parts of the Improvements which are not insurable).

(b) Unless otherwise consented to in writing by Landlord, the insurance required by Section 14(a) above shall be written by companies having an A.M. Best Rating of not less than A-, and all such companies shall be authorized to do business as an insurance business in the Commonwealth of Virginia. All insurance policies shall be in amounts sufficient at all times to satisfy any coinsurance requirements thereof, shall contain standard non-contributory mortgagee clauses in favor of any Leasehold Mortgagee, and shall (except for the workers' compensation insurance referred to in Section 14(a)(iv) hereof) name Landlord and any Leasehold Mortgagee as additional insured parties and/or loss payees, as appropriate, as their respective interests may appear. All deductibles, if any, under any of the insurance policies required under Section 14(a) above shall be the sole responsibility of Tenant. Each insurance policy referred to in Section 14(a) shall provide that it may not be canceled by the insurer except after thirty (30) days' prior written notice to Landlord and to Leasehold Mortgagee (if any), and further, shall provide that any insurance proceeds shall be payable directly to Landlord. Within thirty (30) days after written Notice from Landlord, Tenant shall at its sole cost and expense obtain any endorsement to any insurance policy required by Section 14(a) above, to increase the limits of coverage of the insurance then in effect and/or to make any other amendment to such policy that Landlord shall reasonably request. Anything contained herein to the contrary notwithstanding, Tenant will comply with all applicable laws, ordinances, rules, regulations, and orders of any Governmental Authority with respect to any insurance policy or program to be obtained and maintained pursuant to this Section 14. All conditions for insurance coverage set forth in Section 14(a) above are minimum conditions; Tenant shall be free to obtain and maintain any additional kind or amount of insurance as Tenant in its sole discretion sees fit.

(c) Tenant shall pay as they become due all premiums for all insurance policies required by Section 14(a) above, and shall deliver to Landlord and to Leasehold Mortgagee (if any), promptly upon obtaining such insurance coverage, certificate(s) of insurance or other reasonably satisfactory evidence of all such insurance policies and all endorsements thereto. Tenant shall also promptly deliver, if requested by Landlord or Leasehold Mortgagee (if any), in addition to or in lieu of any such certificate of insurance, a complete copy of any such insurance policy, including all endorsements thereto, together with proof reasonably satisfactory to the requesting party of the payment of all premiums thereon. Tenant shall renew or replace each insurance policy as necessary to maintain

all insurance coverage required by Section 14(a) above at all required times, and shall deliver to Landlord and to Leasehold Mortgagee (if any) a certificate(s) of insurance or other reasonably satisfactory evidence of any such renewal or replacement policy, not later than thirty (30) days after the commencement thereof. Without limitation of the foregoing, if any insurance coverage or any part thereof required by Section 14(a) above shall expire, be withdrawn, become void by breach of any condition thereof by Tenant, or become void or unsafe by reason of the failure or impairment of the capital of any insurer, Tenant shall deliver Notice thereof to Landlord immediately upon such condition becoming known to any officer or director of Tenant, and shall obtain new or additional insurance reasonably satisfactory to Landlord and to Leasehold Mortgagee (if any), and shall comply with all requirements of this Section 14 with respect thereto. In the event of Tenant's failure to comply with any of the requirements of this Section 14 within five (5) business days of the giving of written Notice by Landlord to Tenant, Landlord shall be entitled to procure, on Tenant's account, all insurance coverage required hereunder. Tenant shall reimburse Landlord for any and all sums expended by Landlord in procuring such insurance, as Additional Rent payable immediately upon Landlord's written demand therefor; if Tenant fails to make such reimbursement within five (5) business days following such written demand, interest shall accrue on the outstanding balance thereof, at the Default Rate, from the date of Landlord's payment until fully paid by Tenant.

(d) Anything in this Section 14 to the contrary notwithstanding, any insurance coverage that Tenant is required to obtain pursuant to Section 14(a) may be carried under one or more "blanket" policies covering other properties or liabilities of Tenant, provided that each such blanket policy complies with all other provisions of this Section 14. In the event any such insurance is carried under a blanket policy, Tenant shall deliver to Landlord evidence of the issuance and effectiveness of the policy, the amount and character of the coverage with respect to the Premises, and the presence in the policy of provisions that comport with all other requirements of this Section 14.

(e) Subject to the provisions of Section 14(f), if applicable, in the event of any damage to or destruction of the Premises by fire, the elements or other casualty, up to and including a total loss of the Improvements and Fixtures, the Term shall continue and there shall be no abatement or reduction of Base Rent, Additional Rent, or any other sum payable by Tenant hereunder, and the Net Proceeds from such casualty shall be used to complete the Restoration of the Premises, as nearly as possible to the value, condition, and character of the Premises that existed immediately prior to such casualty, subject to the following requirements:

(i) Tenant shall give Landlord Notice of any such casualty loss immediately upon such condition becoming known to any officer or director of Tenant;

(ii) If there should then exist any Event of Default of Tenant hereunder (or any condition that with Notice or passage of time would constitute an Event of Default except to the extent that Tenant shall cure the same within any such applicable cure period, including without limitation Tenant's failure to maintain all insurance required to be maintained under this Lease), the Net Proceeds for such loss, when payable, shall be payable to a Trustee, which shall be a federally insured bank or other financial institution, selected by Landlord and Tenant and reasonably satisfactory to any Leasehold Mortgagee (the "Trustee"). If a Trustee is appointed pursuant to the preceding sentence, then each insurer is hereby authorized and directed to make payment under said policies directly to such Trustee instead of to Landlord and/or Tenant, and Trustee is hereby appointed attorney-in-fact by both Landlord and Tenant for the purposes of receiving such Net Proceeds and distributing the same as described herein. If there is no Trustee, then each insurer is hereby authorized and directed to make payment under said policies directly to Tenant.

(iii) Tenant shall, whether or not the Net Proceeds under said policies are sufficient for the purpose, promptly undertake the Restoration of the Premises pursuant to Section 15

below.

(iv) In the event that any casualty loss as described herein shall occur at such time as Tenant shall have failed to maintain the insurance required to be maintained under this Lease, and if the balance of Net Proceeds of the hazard insurance maintained on the Improvements and Fixtures shall be insufficient to complete the Restoration of the Premises pursuant to Section 15 below, Tenant shall add to the Net Proceeds (or pay to the Trustee, if applicable) the balance of the funds required for completion of such Restoration, which would have been part of the Net Proceeds had Tenant maintained such insurance program (the "Tenant Insurance Payment"). Also, if there shall be any Leasehold Mortgage, and if it shall be an essential term of Tenant's loan documents with Leasehold Mortgagee that following such casualty loss any Net Proceeds of the hazard insurance maintained on the Improvements and Fixtures be paid on a priority basis to the Leasehold Mortgagee in partial or full satisfaction of its loan, then Tenant shall add to the remaining Net Proceeds (or pay to the Trustee, if applicable) the balance of the funds required for completion of such Restoration; such payment shall be in addition to any amount required to be paid by Tenant pursuant to the preceding sentence, and both such payments shall be deemed included in the definition of any "Tenant Insurance Payment" required under this Lease.

(v) Provided as aforesaid that there shall then exist no Event of Default of Tenant hereunder (or any condition that with Notice or passage of time would constitute an Event of Default except to the extent that Tenant shall cure the same within any such applicable cure period, including without limitation Tenant's failure to maintain all insurance required to be maintained under this Lease), upon substantial completion of Restoration of the Premises, Tenant, as the party that bore the costs of the premiums for the applicable insurance policy(ies), as well as the burden of making any applicable Tenant Insurance Payment, shall be entitled to retain the balance, if any, of Net Proceeds not needed for completion of the Restoration as aforesaid.

Nothing in this Lease shall be construed as making Landlord liable to Tenant or any other person for any damage to the Premises, interruptions of Tenant's business, bodily injury or death to any person, or damage to or loss of any personal property, resulting from the occurrence of any casualty loss to all or any portion of the Premises and/or the process of completing the Restoration of the Premises following the same.

(f) If Tenant shall have extended the Term of this Lease into a Renewal Term one or more times (by exercise of Tenant's option under Section 5(b)), and if the Improvements or Fixtures are damaged during the final two (2) Lease Years of such Renewal Term, such that the cost of Restoration is in excess of twenty-five percent (25%) of the then fair market value of the Improvements and Fixtures, then, notwithstanding any contrary provision of Section 14(e), Tenant (provided that there shall then exist no Event of Default of Tenant hereunder, and no condition that with Notice or passage of time would constitute an Event of Default except to the extent that Tenant shall cure the same within any such applicable cure period) shall have the option, exercisable in Tenant's sole discretion, to terminate this Lease by written Notice to Landlord, which shall become effective not less than thirty (30) days after delivery, whereupon all Net Proceeds of the hazard insurance maintained on the Improvements and Fixtures shall, when available, belong to Landlord; provided, however, that Tenant's exercise of the herein described termination option shall not relieve Tenant of its obligation to pay, if applicable, any Tenant Insurance Payment as described in Section 14(e)(v) above, which in such circumstances shall be paid directly to Landlord. Upon any exercise of the herein described termination option, Tenant hereby agrees (i) that Tenant shall cooperate with Landlord in arranging for each applicable insurer to pay Net Proceeds directly to Landlord, as aforesaid; and (ii) that Landlord shall not be obligated to Tenant or to any party affiliated with Tenant as to the use of such Net Proceeds (supplemented by any required Tenant Insurance Payment as aforesaid) received by Landlord, but rather, Landlord may use such funds in such manner and for such purposes as Landlord shall then see fit in its sole and absolute discretion, including but not limited to completing the Restoration of the Premises pursuant to Section 15 below. However, in

such circumstances, if the applicable insurance policy requires that the Improvements and Fixtures be actually repaired or replaced in order for replacement cost valuation basis to apply, it will be Landlord's sole responsibility to comply with such condition.

(g) Notwithstanding anything in this Lease to the contrary, Landlord and Tenant each waive any rights of action for negligence against the other party, which may arise after the Effective Date for damage to the Premises or to the property therein resulting from any fire or casualty, but only to the extent covered by insurance or to the extent the same would have been covered by insurance had Tenant or Landlord, as applicable, maintained the insurance required to be maintained under this Lease.

(h) Until the Delivery Date, Landlord shall carry or cause to be carried appropriate insurance coverages for casualty losses to the Premises and for bodily injury, death, or property damage or loss occurring in, on, or about the Premises, as well as any coverages required in connection with the performance by Landlord and its agents and contractors of Landlord's Work. Upon the Delivery Date, Landlord shall no longer have any insurance obligation, and Tenant shall assume all insurance obligations (as described in this Section 14) with respect to the Premises.

15. Restoration. Tenant shall be solely responsible for performing or causing to be performed any Restoration of the Premises following any Taking or any casualty loss of all or any portion of the Premises, as required in Sections 13(d) and 14(e) above. Unless Landlord expressly consents otherwise, all Restoration work shall be planned and performed so as to restore the Premises as nearly as possible to its value, condition, and character existing immediately prior to such Taking or casualty loss, and in compliance with the substantive requirements of Sections 11 and 12(a) below. To the extent available, any Restoration Award resulting from a Taking, and any Net Proceeds of insurance (supplemented if applicable by the Tenant Insurance Payment) (collectively referred to herein as the "Restoration Fund") shall be used to pay for the Restoration of the Premises as described in Section 13(d) or Section 14(e) above, whichever shall then apply. Except where a Trustee has been appointed pursuant to Section 14(e) above (in which case the Trustee shall hold the Restoration Fund in a separate interest-bearing federally insured account and disburse sums therefrom to Tenant for the Restoration), Tenant shall be responsible for management and disbursement of the Restoration Fund. Any balance remaining upon the completion of Restoration following a Taking shall be disbursed as provided in Section 13(e); provided, however, that if Tenant shall have directly paid in any amount of the Restoration Fund, any such balance shall first be reimbursed to Tenant, up to the entire amount paid in by Tenant.

16. [Intentionally deleted.]

17. Assignment and Subletting.

(a) Landlord in its sole and absolute discretion may transfer and convey the Land or otherwise assign its interests under this Lease to any third party, in whole or in part, at any time during the Term, without the necessity of obtaining Tenant's consent or permission. If Landlord makes any such assignment during the Term, Landlord shall promptly give Tenant Notice thereof. If Landlord assigns its rights to receive the rents due under this Lease or transfers and conveys less than the whole of the Land to any third party, Tenant shall, following Landlord's delivery of written Notice of such assignment and upon demand by Landlord or the assignee, (a) pay all Base Rent and Additional Rent thereafter becoming due under this Lease to the payee specified by Landlord in such notice of assignment (with a portion of as great as 100% thereof being payable to the assignee or its representative, and a portion as small as 0% being payable to the assignor); (b) give all Notices required to be given Landlord hereunder both to Landlord and the assignee or its representative, and (c) have all policies of insurance required hereunder endorsed so as to protect the assignee's interest as it may appear and deliver such policies, or certificates thereof, to the assignee. If Landlord transfers and conveys the whole of the Land, the Landlord herein named (and in case of any subsequent transfers or conveyances, the then grantor) shall cease, effective as

of such transfer and conveyance, to have any obligations or rights under this Lease, all of which shall be binding upon or inure to the benefit of the successor Landlord.

(b) Except as expressly allowed under this Section 17 and Section 34, Neither Tenant nor any of its permitted successors or assigns, shall assign, sublet, transfer, mortgage, or encumber, or, by operation of law or otherwise, pledge, hypothecate, or assign all or any of Tenant's interest in this Lease, or sublet or otherwise permit the Premises or any part thereof to be occupied or used by any other person other than Tenant (any of which events is hereinafter called a "Transfer") without the prior written consent of Landlord, which consent shall not be unreasonably withheld or conditioned. Landlord's consent to any proposed Transfer by Tenant shall not be considered unreasonably withheld or conditioned if: (i) Tenant shall not have completed all Tenant's Work and commenced business operations in and about the Building and Premises constituting the Permitted Use; (ii) the proposed transferee is not as financially secure and creditworthy as Tenant (*provided, however*, that if the proposed transferee then has a net present worth of Three Million Dollars (\$3,000,000.00) or more, this condition shall not furnish a grounds for Landlord to withhold its consent as aforesaid); (iii) the proposed transferee intends to use the Premises in violation of Section 4 or in any other way does not agree to assume the obligations of Tenant under this Lease from the date of the Transfer to the end of the Term; (iv) the proposed transferee is a government agency; (v) Tenant is then in default of this Lease; or (vi) all or any portion of the Premises would become subject to additional or different Laws as a consequence of the Transfer proposed by Tenant (due to the proposed transferee's use and occupancy of the Premises or otherwise), including without limitation by becoming "tax exempt use property" within the meaning of Section 168(h) of the Internal Revenue Code of 1986, as amended. Tenant hereby acknowledges that the foregoing sentence is not intended to be an exclusive list of the reasons for which Landlord may reasonably withhold or condition its consent to any proposed Transfer. In addition to the other limitations herein contained, Tenant shall not, without Landlord's prior written consent, publicly advertise the proposed rental rate for any proposed Transfer.

(c) Any request by Tenant to obtain Landlord's consent to a proposed Transfer shall be in writing and shall include, at minimum, (i) the name of the proposed transferee and the nature of its business operations; (ii) the term, planned use of the Premises, rental rate, and all other material terms and conditions of the proposed Transfer, including, without limitation, a copy of the proposed assignment, sublease, or other contractual documents; and (iii) documentation (*e.g.*, audited financial statements) satisfactory to Landlord that the proposed transferee has sufficient financial strength and creditworthiness to assume all obligations under this Lease to be transferred. Except with regard to a Transfer governed by Section 17(d) below, Tenant shall reimburse Landlord upon demand for any reasonable costs that may be incurred by Landlord in connection with evaluating any such proposed Transfer, including without limitation reasonable attorneys' fees for reviewing the terms of the proposed assignment, sublease, or other contractual documents, preparing any comments thereto, and drafting any new documents setting forth Landlord's position on any issue relating to the requested Transfer; provided, however, that Tenant's liability for such costs shall not exceed Ten Thousand Dollars (\$10,000.00). Landlord, within forty-five (45) days after Tenant's delivery of all information and documentation relating to a proposed Transfer as required herein, shall either consent to, or reasonably refuse to consent to, or condition its consent to such Transfer, in writing.

(d) Any transfer to a third party of less than a controlling equity interest in Tenant's entity, and any internal transfer of equity interest in any amount or percentage among existing shareholders, partners, or members of Tenant's entity (even where such internal transfer results in a change in the management of Tenant's entity) shall not be deemed to be a Transfer requiring Landlord's consent under Section 17(b) above. Further, Tenant may, without the consent of Landlord but with prior written Notice to Landlord, provided that there shall then exist no Event of Default hereunder (and no condition that with Notice or passage of time would constitute an Event of Default except to the extent that Tenant shall cure such applicable the same within any such applicable cure period), transfer Tenant's

entire interest in this Lease to any wholly owned subsidiary of Tenant, or to the parent entity of Tenant (if any), or to any other entity that is under common ownership and control with Tenant, provided that said transferee assumes all obligations of Tenant under this Lease. However, if Tenant, either directly or following a transfer of this Lease to an affiliated entity of Tenant as aforesaid, seeks to sell, assign, transfer or convey a controlling equity interest in Tenant (or such affiliated entity) to a third party, such transaction shall be deemed to be a Transfer requiring Landlord's consent under Section 17(b) above.

(e) Any Transfer consented to by Landlord shall be at all times subject to all provisions of this Lease and to the prior right, title, and interest of Landlord in and to the Premises (including without limitation Landlord's reversionary interest upon termination of this Lease). No Transfer, if consented to by Landlord, shall affect or reduce any of the obligations of Tenant hereunder (including without limitation Tenant's liability for the prompt payment of Base Rent and Additional Rent), all of which shall continue in full force and effect as obligations of a principal and not as obligations of a guarantor, as if no such Transfer had been made; *provided, however*, that if such Transfer is an assignment (and not a sublease) of all or any part of Tenant's interest under this Lease, and further, if (i) such assignee has a net present worth of at least Five Million Dollars (\$5,000,000.00); (ii) such assignee is already substantially engaged in the restaurant business in one or more other locations, and such assignee's intended use of the Premises complies with Section 4 above; (iii) Tenant and such assignee have delivered to Landlord the instrument of assumption described in Section 17(f)(i) below; and (iv) there then exists no Event of Default (and no condition that with Notice or passage of time would constitute an Event of Default except to the extent that the same shall be cured by Tenant within any applicable cure period) under this Lease, then Landlord shall, subject to any further conditions that Landlord may then reasonably impose, release Tenant from any further liability and obligation under this Lease with respect to the portion of the Premises so assigned, from and after the effective date of such Transfer, but not relating to the period prior to the effective date of such Transfer. No Transfer consented to by Landlord shall impose or be construed as imposing any obligations on Landlord in excess of Landlord's existing obligations under this Lease, unless Landlord shall specifically undertake any such new obligation in connection with the instrument granting Landlord's consent to such Transfer or any separate instrument relating thereto and expressly made a part thereof or of this Lease.

(f) Tenant agrees that, as a condition of any consent by Landlord to a proposed Transfer of any of Tenant's interest under this Lease, Tenant shall deliver to Landlord a duplicate original of the fully executed assignment, sublease, or other contractual documents between Tenant and the proposed Transferee, in a form satisfactory to Landlord, which documents shall include: (i) if such proposed Transfer is an assignment of all or part of Tenant's interest under this Lease, an agreement(s) executed and acknowledged by Tenant and the assignee, in form satisfactory to Landlord and in recordable form if Landlord so requests, wherein the assignee shall absolutely and unconditionally agree to assume and agree to observe and perform all of the terms and provisions of this Lease on the part of the Tenant to be observed and performed, with respect to the portion of the Premises so assigned, from and after the date of such assignment, and to attorn to Landlord and any successor Landlord under this Lease; or (ii) if such Transfer is a proposed sublease, an agreement executed and acknowledged by Tenant and its subtenant under which the subtenant shall be expressly required to observe and perform, for the full term of such sublease and with respect to all portions of the Premises so sublet, all of the terms and provisions of this Lease on the part of the Tenant to be observed and performed.

(g) If Tenant shall sublet all or any portion of the Premises for rents, additional charges related to the value of this Lease, or any other consideration, however characterized, which for any period shall exceed the amount of Base Rent and Additional Rent payable by Tenant to Landlord under this Lease with respect to the subleased portion of the Premises for such period (such excess consideration being referred to herein as "profit"), Tenant shall pay Landlord, as Additional Rent hereunder, fifty percent (50%) of such profit, which shall be due and payable immediately upon Tenant's receipt thereof from the subtenant; provided, however, that Tenant may first deduct from calculation of

such profit any documented expenses incurred by Tenant directly in connection with making the subleased portion of the Premises available for the subtenant.

(h) So long as any subtenant (not directly or indirectly affiliated with or under common control with Tenant) under any sublease of all or any portion of the Premises consented to by Landlord shall not then be in default of its sublease with Tenant, so as to entitle Tenant to terminate such sublease, then such subtenant (i) shall be entitled to quiet enjoyment of the space subleased by it, (ii) shall not be evicted, and (iii) shall not otherwise suffer a termination of its leasehold interest under such sublease by reason of any Event of Default by Tenant under this Lease; provided, however, that for the duration of such Event of Default by Tenant Landlord shall have the right, at Landlord's option to collect and enjoy any and all rents and other sums of money payable by such subtenant under such sublease directly from such subtenant, to the extent such sums may be credited toward the sum then due and payable under this Lease (whether characterized hereunder as Base Rent or Additional Rent) by Tenant to Landlord, but not theretofore paid, in connection with such Event of Default. In connection with the foregoing, Tenant hereby irrevocably and unconditionally assigns any and all rents and other sums to which Tenant may be entitled as sublandlord under any future sublease, to Landlord, provided that Landlord may exercise upon such assignment only upon or after, but not before, the occurrence of any Event of Default by Tenant that results in a deficiency in the sums due to Landlord under this Lease. Landlord hereby agrees that, upon receipt of any written request from any subtenant occupying all or any portion of the Premises pursuant to a sublease entered into with Tenant and consented to by Landlord, Landlord will grant such assurances to the subtenant as may be reasonably requested, of such subtenant's continued right to occupy the subleased portion of Premises pursuant to the terms of such sublease and its other rights described in the first sentence of this Section 17(h), provided that such subtenant shall agree to attorn to Landlord and any successor Landlord under such sublease, upon any termination of Tenant's interest under this Lease. Said agreement shall further provide that nothing therein contained shall impose any obligation on the Landlord to (1) return or apply any security deposit paid to Tenant as sublandlord under such sublease, unless such security deposit shall have been transferred and turned over to Landlord; (2) expend any sums to make any installations or alterations to be made by Tenant as sublandlord as provided under such sublease, or reimburse the subtenant under said sublease for any installations or alterations made by the subtenant; (3) be liable for any act or omission of Tenant (or any successor of Tenant) as sublandlord or be subject to any right of offset or other defense which such subtenant might have against Tenant (or any such successor) as sublandlord pursuant to the terms of such sublease, which is not available to Tenant against Landlord under this Lease; (4) be bound by any base rent, percentage rent, or additional rent which such subtenant claims to have paid in advance to Tenant (or any such successor) as sublandlord for any month subsequent to the then current month to; or (5) be bound by any amendment or modification of the such sublease made without the prior written consent of Landlord.

(i) If Landlord shall decline to give its consent to any proposed Transfer, or if Landlord shall exercise any of its options under this Section 17, Tenant hereby agrees to indemnify, defend, and hold harmless Landlord against and from any and all loss, liability, damages, costs, and expenses (including attorneys' fees and disbursements) resulting from any claims that may be made against Landlord by the proposed transferee or by any brokers or other persons claiming a commission or similar compensation in connection with the proposed Transfer, on the terms and conditions set forth in Section 10(a).

(j) Any attempted or purported Transfer without Landlord's consent, or otherwise in violation of this Section 17, whether as a result of any act or omission of Tenant, or by operation of law or otherwise, shall be void, shall not be binding upon Landlord, and shall confer no rights upon any third party, and moreover, if Tenant knowingly attempted to violate this Section 17 such conduct shall, without notice or grace period of any kind, constitute an Event of Default under this Lease. The acceptance by Landlord of the payment of any Base Rent and/or Additional Rent following any attempted Transfer

prohibited by this Section 17 shall not be deemed a consent by Landlord to any such Transfer, an acceptance of the transferee as Tenant, a release of Tenant from the performance of any covenants herein contained, or a waiver by Landlord of any right or remedy of Landlord under this Lease, although any such amounts actually received by Landlord shall be credited against Tenant's Base Rent and/or Additional Rent obligations hereunder. Consent by Landlord to any Transfer shall not operate as a waiver of Landlord's rights and Tenant's obligations under this Section 17 as to any subsequently proposed Transfer. No reference in this Lease to assignees, subtenants, licensees, or transferees shall be deemed to be a consent by Landlord to the occupancy of any portion of the Premises by any unpermitted assignee, subtenant, licensee, or transferee.

18. Permitted Contests.

(a) Notwithstanding any other provision of this Lease, Tenant, after prior written Notice to Landlord, shall not be required to pay any Imposition, comply with any Legal Requirement, discharge or remove any lien referred to in Sections 9 or 11, or take any action with respect to any violation referred to in Section 12(b), so long as Tenant shall contest, in good faith and at its expense, the existence, the amount, or the validity of any of the foregoing, or the amount of the damages caused thereby, or the extent of Tenant's or Landlord's liability therefor, by appropriate proceedings commenced with the applicable Governmental Authorities or other parties which shall operate during the pendency thereof to prevent all of the following: (i) the collection of, or other realization upon, any Imposition or lien so contested; (ii) the sale, forfeiture, or loss of any of the Premises, or any claim against or other interference with the payment of Base Rent or Additional Rent, to satisfy the same or to pay any damages caused by the violation of any Legal Requirement; (iii) any interference with the use or occupancy of any of the Premises; and (iv) the cancellation of any insurance policy required under this Lease. Landlord covenants to give Tenant prompt and timely Notice of any proposed new or increased assessment applicable to the Premises of which Landlord receives notification, and to cooperate with Tenant (at no cost to Landlord, however) in any good faith contest of the same.

(b) In no event shall Tenant pursue any contest with respect to any Imposition, Legal Requirement, lien, or violation referred to above, or any settlement or compromise of any of the foregoing, in such manner that exposes Landlord to defeasance of any right, title, or interest of Landlord in the Premises.

(c) Tenant agrees that each such contest shall be promptly and diligently prosecuted to a final conclusion, except that Tenant shall have the right to attempt to settle or compromise any such contest through negotiations, subject to Section 18(b) above. Tenant shall indemnify and save Landlord harmless against any and all losses, judgments, decrees and costs (including all attorneys' fees and expenses) in connection with any such contest and shall, promptly after the final determination of such contest, fully pay and discharge the amounts which shall be levied, assessed, charged, or imposed or be determined to be payable therein or in connection therewith, together with all penalties, fines, interest, costs, and expenses thereof or in connection therewith, and perform all acts the performance of which shall be ordered or decreed as a result thereof.

19. Default by Tenant.

(a) The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Lease:

(i) Tenant's failure to pay to Landlord (regardless of the pendency of any bankruptcy, reorganization, receivership, insolvency or other proceedings, in law, in equity or before any administrative tribunal which had or might have the effect of preventing Tenant from complying with the provisions of this Lease), as and when the same shall be due, any installment of Base Rent or Additional

Rent (including without limitation any Default Rate interest incurred by Tenant in connection therewith), or any other charge or amount required to be paid by Tenant to Landlord hereunder, which continues unremedied for a period of ten (10) calendar days after Landlord shall have delivered written Notice to Tenant demanding same;

(ii) (A) Tenant's failure to pay any Imposition to the party entitled thereto, as and when the same shall be due (subject, however, to any permitted contest that Tenant may pursue under Section 18 with respect to such Imposition); (B) without limitation of the foregoing, Tenant's failure to pay as and when due any amount rightfully owed by Tenant to any third party, entitling such party to file a lien against the Land or the Premises and/or on the Base Rent, Additional Rent, or any other sums payable by Tenant under this Lease (whether such lien be filed or not); (C) in the event of the filing of any third party lien as described in the preceding sentence, Tenant's failure to cause such lien to be released; or (D) Tenant's failure to perform and observe any non-monetary obligation of Tenant contained in this Lease, or a violation or breach of any representation or warranty made by Tenant contained in this Lease (excluding, however, any breach governed by Section 19(a)(v) below), where such default continues unremedied for a period of thirty (30) calendar days after Landlord shall have delivered written Notice thereof to Tenant; provided, however, that if such default is of such a nature that it cannot reasonably be cured within such thirty (30) day period, such period shall be extended for such longer time as is reasonably necessary (but not to exceed ninety (90) days), provided that Tenant has commenced to cure such default within the initial thirty (30) day period and is actively, diligently, and in good faith proceeding with continuity to remedy such default;

(iii) Tenant's being adjudicated a bankrupt or insolvent by any court of competent jurisdiction; or the entry by any such court of any order, judgment, or decree finally approving any petition against Tenant seeking reorganization, liquidation, dissolution, or similar relief; or the appointment of a receiver, trustee, liquidator, or conservator for all or substantially all of Tenant's assets, where such appointment is not vacated within fifteen (15) days after the appointment; or Tenant's seeking or consenting to any of the relief hereinabove enumerated in this clause (iii); or Tenant's filing of a voluntary petition in bankruptcy or insolvency; or Tenant's making of an assignment of all or substantially all of its assets for the benefit of creditors; or Tenant's written admission of Tenant's inability to pay its debts generally as they come due;

(iv) Any court-ordered or decreed sale of Tenant's leasehold interest under this Lease, or levying or attachment (not vacated or discharged within thirty (30) days) of Tenant's leasehold interest under this Lease to compel such sale, to satisfy any debt of Tenant or any lien, including mechanics' or materialmen's liens, against Tenant's leasehold interest;

(v) Immediately and without benefit of any Notice and cure opportunity as described in Section 19(a)(ii) above, Tenant's knowingly (A) assigning or subletting, or attempting to assign or sublet, the Premises or any part thereof in a manner that does not comply with the requirements of Section 17; or (B) engaging or attempting to engage in any use of the Premises that does not comply with the requirements of Section 4, in its first sentence only (any violation of any of the remaining provisions of Section 4 being subject to the Notice and cure provisions of Section 19(a)(ii) above);

(vi) Tenant's vacating, abandoning, or failing to continually use the Premises for a period of one hundred twenty (120) consecutive days; *provided, however*, that if Tenant vacates, abandons, or fails to continually use the Premises for a lesser period than aforesaid, but during such time is in default under any other provision of this Section 19(a) (excluding a default under Section 19(a)(ii) due to Tenant's failure to perform any term, condition, covenant, and obligation under this Lease that can only be performed if Tenant is present upon the Premises and engaging in the Permitted Use, enforcement of which would render this Section 19(a)(v) a nullity), such other provision shall govern; or

(vii) Any liquidation or dissolution of Tenant's business entity or commencement of any efforts or proceedings to effectuate any such liquidation or dissolution.

(b) In the case of any Event of Default, Landlord shall deliver Notice to Tenant that an Event of Default has occurred for which there is no cure period available, or for which the applicable cure period has expired (the "Final Notice"), and if applicable, a copy of such Final Notice to any Leasehold Mortgagee pursuant to Section 34(b). Subject only to Leasehold Mortgagee's timely exercise of its right to effectuate a cure of such Event of Default under Section 34(b) and 34(c), Landlord, in addition to any and all other legal and equitable remedies it may have, shall have the following remedies:

(i) Landlord may distrain (subject, however, to the limitations under Section 20(c) below, and to the requirements of applicable law) for any past due amount payable by Tenant under this Lease, whether characterized as Base Rent, Additional Rent, or otherwise;

(ii) Landlord may, by written Notice to Tenant (and if applicable, to Leasehold Mortgagee), terminate Tenant's right to possession only, without terminating this Lease, whereupon Landlord, at Landlord's option, may enter into and upon the Premises and take and hold possession thereof and remove any persons or property therefrom, with or without legal process, without releasing Tenant, in whole or in part, from Tenant's obligation to pay any Base Rent, Additional Rent, or any other charge or amount required to be paid by Tenant for the full stated Term at the time and in the manner provided in this Lease. In connection with any recovery of possession as aforesaid, Landlord shall have the right to alter any locks or other security devices in the Building and otherwise exclude Tenant or Tenant's agents from the Premises. Landlord shall be under no liability to Tenant or any other person for or by reason of Landlord's lawful exercise of Landlord's right of self-help as provided in this Section 19(b)(ii). No actions taken under this Section 19(b)(ii) shall be construed as an election by Landlord to terminate this Lease unless Landlord delivers written Notice of such termination as described below.

(iii) After any repossession of the Premises without termination of this Lease pursuant to Section 19(b)(ii) above, Landlord shall make commercially reasonable efforts to relet the Premises or any part thereof, for the account of Tenant, to such tenant(s) other than Tenant, for such time (which may be greater or less than the period which would otherwise have constituted the balance of the Term), for such rent, on such terms and conditions (which may include incentives and concessions with respect to rent or otherwise), and for such uses as Landlord, in Landlord's sole but reasonable discretion, shall determine; and in connection with the foregoing Landlord shall have the option but not the obligation to make such Alterations, repairs, and replacements to all or any part of the Premises as Landlord, in Landlord's sole and absolute subjective discretion, deems necessary or desirable for purposes of any such reletting. Tenant shall, promptly upon written demand, pay all of Landlord's reasonable and actual expenses of obtaining possession of the Premises and of any such reletting, including Landlord's costs of any such Alterations, repairs, and replacements made in preparation for reletting, the costs of removing, storing, and/or disposing of any of Tenant's property, and any brokerage commissions, court costs, attorneys' fees, employees' expenses, and other costs reasonably incurred by Landlord in connection therewith, less the amounts, if any, that Landlord actually receives from any successor tenant in reimbursement of any of the foregoing costs (but Tenant hereby acknowledges that Landlord shall have no obligation to seek any such reimbursement from any successor tenant as a condition of such reletting). If Tenant fails to make any payment to Landlord required under the preceding sentence within five (5) business days following such written demand, interest shall accrue on the outstanding balance thereof, at the Default Rate, from the date of Landlord's demand Notice until fully paid by Tenant. If the net proceeds collected by Landlord upon any reletting of the Premises for Tenant's account, as herein described, are not sufficient to pay monthly the full amount of the Base Rent, Additional Rent, and any other amount payable by Tenant under this Lease, Tenant shall pay to Landlord the amount of each monthly deficiency immediately upon written demand from Landlord. If Tenant fails to pay any amount as described herein, Landlord (without limitation of Landlord's possible remedies

under Section 6(e) above and this Section 19) may commence collection proceedings against Tenant, and in such event Tenant shall not interpose any counterclaim of any nature or description in any such proceedings; this shall not, however, be construed as a waiver of Tenant's right to assert any claims it may have against Landlord in any separate action brought by Tenant. In no event shall Landlord be required to pay over to Tenant any sums received by Landlord on any reletting of the Premises that exceed the Rent provided in this Lease; provided, however, that Landlord shall apply any such excess sums to the reduction of any accrued present or future obligations of Tenant hereunder. Landlord's reentry and reletting of the Premises without termination of this Lease shall not preclude Landlord from subsequently terminating this Lease as set forth below.

(iv) If the nature of the Event of Default is Tenant's failure to observe or perform a monetary obligation, Landlord may, at Landlord's option, while such Event of Default continues, and after fifteen (15) days' Notice of its intention so to do delivered to Tenant (and if applicable, Leasehold Mortgagee) and provided Tenant shall have failed to cure such Event of Default within such fifteen (15) day period following Landlord's Notice of intention to accelerate the Base Rent, declare all of the Base Rent reserved for the full Term of this Lease and then unpaid, due and payable at once.

(v) Landlord may exercise all rights and remedies set forth in Section 6(e) (or continue to exercise such rights, if Landlord began exercising such rights within the time frames set forth therein, prior to delivering any Final Notice as described above) relating to the collection (and continuing collection) of any applicable Default Rate interest and the charging of any applicable Late Charges and any applicable Returned Check Charges.

(vi) Landlord may perform, in Tenant's name and on Tenant's behalf, any act Tenant is obligated to perform under the terms of this Lease, without being liable for prosecution or any claim for damages therefor, and Tenant shall be responsible for all costs incurred by Landlord in thus effecting compliance with Tenant's obligations hereunder.

(vii) In addition to the other remedies for an Event of Default provided in this Lease, and anything contained herein to the contrary notwithstanding, Landlord shall be entitled to restrain any actual, attempted, or threatened default or violation of any of the terms, covenants, conditions or other provisions of this Lease, by injunction, order of specific performance or other appropriate equitable relief.

(viii) In the event that Tenant's Event of Default causes Landlord to sustain any damages of a type or nature not specifically described or referenced in this Section 19, such lack of description or reference shall not be construed as limiting in any way Landlord's right to pursue any remedy at law or in equity that may be available to Landlord in connection therewith.

(ix) Regardless of whether or not Landlord may have first terminated Tenant's right to possession only pursuant to Section 19(b)(ii), Landlord may cancel and terminate this Lease by delivering written Notice thereof to Tenant (subject, however, to the requirements of Section 34(c) if there should then be any Leasehold Mortgagee) and may thereafter pursue any remedy at law or in equity that may be available to Landlord (including, if such termination occurs by reason of a monetary Event of Default, the remedies discussed in Section 19(d) below).

(c) Any express waiver by Landlord of any covenant or condition of this Lease to be performed by Tenant shall apply to the particular case only and shall not be construed as an abandonment or waiver of such covenant or condition as it may apply to future breaches thereof or any other covenant or condition of this Lease (or, absent Landlord's express written Notice to the contrary, an implied waiver of such covenant or condition as it applies to any then-current breach). No receipt of money by Landlord

from Tenant after delivery of the Final Notice (excluding, however, any receipt of money from any Leasehold Mortgagee pursuant to Section 34(c)), or after the termination of this Lease, or after the commencement of any suit or after final judgment of possession of the Premises, shall (i) reinstate, continue or extend the Term of this Lease, or (ii) affect any such Notice, demand or suit, or (iii) constitute a waiver of such breach, agreement, term, covenant, and/or condition. Any payment by Tenant or acceptance by Landlord of a lesser amount of money than shall be due from Tenant to Landlord at any time shall be treated as a payment on account. The acceptance by Landlord of any check for a lesser amount with any endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full (or any language purporting to have such effect, *e.g.*, "accord and satisfaction"), shall be given no effect whatsoever, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant for the balance of the amount of money then remaining unpaid. To the fullest extent allowed by law, Tenant hereby waives any right of redemption or similar right granted by any statute, regulation or rule of court, or otherwise by law.

(d) In the event Landlord elects to terminate this Lease by reason of a monetary Event of Default, then notwithstanding such termination (and in addition to the additional costs and expenses recoverable from Tenant as described herein), Tenant shall be liable for and shall pay to Landlord (i) all Base Rent, Additional Rent, and any other amount payable by Tenant under this Lease then in arrears, together with all Default Rate interest, Late Charges, and any other applicable fees and charges, all of the foregoing calculated without apportionment to the date of termination; plus (ii) as damages, an amount equal to the total Base Rent and Additional Rent that, but for termination, would have become payable during the remaining portion of the then current Term (whether the Initial Term or any Renewal Term), had this Lease not been terminated by Landlord as herein described, less the present value of the then fair rental value of the Premises for such period based upon a discount rate of ten percent (10%) per annum. In lieu of the damages for future Rent measured under the discounted present value formula set forth in the preceding sentence, but in addition to the past due Rent and all additional costs and expenses that will in all events be recoverable from Tenant as described herein, Landlord may elect to recover Indemnity Payments (as defined hereinbelow) from Tenant. For purposes of this Section 19(d), "Indemnity Payments" means an amount equal to the total Base Rent and Additional Rent that, but for termination, would have become payable during the remaining portion of the then current Term, had this Lease not been terminated by Landlord as herein described, less the net rental and other payments, if any, actually collected by Landlord upon Landlord's reletting of the Premises or any portion thereof (which, if any, shall occur in the manner set forth in Section 19(b)(iii) above subject to the conditions therein contained). If Landlord exercises its option to receive Indemnity Payments as herein described, Tenant shall, on demand, make such Indemnity Payments monthly, and Landlord may sue for all Indemnity Payments at any time after they accrue, either monthly or at such less frequent intervals as Landlord in its sole and absolute discretion shall see fit, including without limitation by filing a single suit for Indemnity Payments at or after the date that would have constituted the expiration of the Term under this Lease, had this Lease not been terminated by Landlord as herein described. Tenant hereby agrees that if Landlord elects to wait until the date described in the preceding sentence to file a single suit for Indemnity Payments, then in such event Landlord's cause of action to recover the Indemnity Payments shall be deemed to have accrued as of such date, and not sooner. Tenant hereby irrevocably waives any defense based on application of any statute of limitation with respect to any action on behalf of Landlord to recover such Indemnity Payments, or any one such Indemnity Payment individually, as long as such action is brought not later than the last day of the applicable limitation period as measured from the date that would have constituted the expiration of the Term under this Lease, had this Lease not been terminated by Landlord as herein described. In application of the provisions of this Section 19(d), and notwithstanding any contrary provision contained herein, Landlord agrees to use best efforts to mitigate Tenant's damages in the event Landlord elects to terminate this Lease as described herein.

(e) The remedies conferred upon or reserved to Landlord upon an Event of Default by Tenant under this Section 19 (subject to all limitations contained herein) are intended to be cumulative,

and may be exercised by Landlord in any order, or simultaneously, without such exercise being deemed or construed as a waiver by Landlord of its right to exercise any other remedy granted to Landlord hereunder (or under applicable Laws) with respect to the same Event of Default. Exercise by Landlord of any one or more remedies hereunder granted or otherwise available shall not be deemed to be an acceptance or surrender of the Premises by Tenant, whether by agreement or by operation of Law, it being understood that such surrender can be effected only by the written agreement of Landlord and Tenant. No alteration of locks or other security devices and no removal or other exercise of dominion by Landlord over the property of Tenant or others at the Premises shall be deemed unauthorized or constitute a conversion or a tortious interference with the business, contracts or operations of Tenant, Tenant hereby consenting, after any Event of Default remaining uncured beyond any applicable cure period (subject to all limitations contained herein, including the rights of Leasehold Mortgagee in connection with such Event of Default), to the aforesaid exercise of dominion over Tenant's property within the Premises. All claims for damages by reason of such re-entry and/or repossession and/or alteration of locks or other security devices are hereby waived, as are all claims for damages by reason of any distress warrant, forcible detainer proceedings, sequestration proceedings or other legal process. Tenant agrees that any re-entry by Landlord may be pursuant to judgment obtained in unlawful or forcible detainer proceedings, or other legal proceedings, or without the necessity for any legal proceedings, as Landlord may elect, and that Landlord shall not be liable in trespass, for tortious interference with business or contract, or otherwise in connection therewith. To the fullest extent permitted by applicable law, Landlord shall have the right to bring an action for unlawful detainer or possession separate from any action brought to recover damages due from Tenant by virtue of its Event of Default, and the bringing of any such separate action for unlawful detainer or possession shall in no way prejudice or cut off Landlord's right to seek damages or to exercise any of its other rights and remedies under this Lease after recovering possession of the Premises.

20. Additional Rights of Landlord and Tenant.

(a) No delay or failure by Landlord or Tenant to enforce its rights under this Lease shall be construed as a waiver, modification or relinquishment thereof. In addition to the other remedies provided in this Lease, Landlord and Tenant shall be entitled, to the extent permitted by applicable law, to injunctive relief in case of the violation or attempted or threatened violation of any of the provisions of this Lease, or to specific performance of any of the provisions of this Lease.

(b) Tenant hereby waives and surrenders for itself and all those claiming under it, including creditors of all kinds, any right and privilege which it or any of there may have under any present or future Law to redeem any of the Premises or to have a continuance of this Lease after termination of this Lease or of Tenant's right of occupancy or possession pursuant to any court order or any provision hereof.

(c) Landlord hereby waives any right to distrain or levy upon Trade Fixtures or any other personal property of Tenant, to the extent that such property was acquired by Tenant through a lease or loan, where the lessor or lender has asserted a security interest in such items of property.

(d) Tenant and Landlord (each, as used in this Section 20(d), the "Paying Party") each agree to reimburse any and all reasonable costs and expenses incurred by the other party (herein, the "Demanding Party") in connection with any litigation between the Demanding Party and the Paying Party to enforce the obligations under this Lease, to the extent that the Demanding Party has prevailed in any such litigation or other action. Any amount payable by Tenant as the Paying Party under this Section 20(d) shall be deemed to constitute Additional Rent and shall be due and payable immediately, subject to the provisions of Section 6(e). As used in this Section, "costs and expenses" shall include, without limitation, reasonable attorneys' fees at trial, on appeal and on any petition for review, and in any proceeding in bankruptcy, in addition to all other sums provided by Law.

21. Notices. All notices, demands, requests, consents, approvals, offers, statements and other instruments or communications required or permitted to be given pursuant to the provisions of this Lease (collectively "Notice" or "Notices") shall be in writing, and shall be deemed to have been delivered, regardless of the recipient's rejection or refusal of the Notice, (a) on the date of delivery by hand or commercial messenger; (b) on the first (1st) business day after the deposit of same for next business day delivery with a nationally recognized commercial overnight courier service such as FedEx, UPS, Express Mail, etc.; (c) on the third (3rd) business day after the deposit of same with the United States Postal Service for delivery via registered or certified mail, return receipt requested, postage prepaid; or (d) on the date of transmission by facsimile or e-mail, provided that (i) the transmitting machine or computer sending such Notice must generate a confirmation of transmission, contemporaneously with the actual transmission, and (ii) a duplicate copy of the Notice so transmitted, together with a copy of such confirmation of transmission, must be sent either by one of the alternate methods of Notice enumerated in the foregoing paragraphs (a) through (c), or by first class U.S. mail, on the same date of transmission if such day is a business day and, if not, on the first business day thereafter, in each case addressed to the parties at the following addresses, facsimile numbers and e-mail addresses:

If to Landlord:

Tel.: _____
Fax: _____
E-mail: _____

With a copy to:

Tel.: _____
Fax: _____
E-mail: _____

If to Tenant:

Tel.: _____
Fax: _____
E-mail: _____

With a copy to:

Tel.: _____
Fax: _____
E-mail: _____

And to Tenant's Leasehold Mortgagee: [To be provided by Notice by Tenant]

Tel.: _____
Fax: _____
E-mail: _____

For the purposes of this Section 21, any party may substitute its address by giving fifteen (15) days' Notice to the other party in the manner provided above. Any Notice may be given on behalf of any party by its counsel.

22. Estoppel Certificates. Landlord and Tenant shall, at any time and from time to time, upon not less than ten (10) business days' prior written request by the other, execute, acknowledge before a notary public, and deliver to the other a statement in writing, certifying the following: (a) that this Lease is unmodified and in full effect (or if there have been modifications, that this Lease is in full effect as modified, setting forth such modifications); (b) the amount of Base Rent then in effect under Section 6(a) and the dates to which Base Rent installments have been paid, and further certifying that Tenant has no current offset or credits against Base Rent due or to become due under this Lease, and no security deposit; (c) [Intentionally Deleted]; (d) that to the knowledge of the signer of such certificate no default by either Landlord or Tenant exists hereunder or specifying each such default of which the signer may have knowledge; (e) the remaining Term of this Lease; (f) with respect to a certificate signed on behalf of Tenant, that to the knowledge of the signer of such certificate, there are no proceedings pending or threatened against Tenant before or by any court or administrative agency which if adversely decided would materially and adversely affect the financial condition and operations of Tenant (or if any such proceedings are pending or threatened to said signer's knowledge, specifying and describing the same); (g) that this Lease has not been assigned or sublet (or if it has, identifying any such sublease or assignment); (h) that Tenant does not have any options under this Lease or any separate written agreement to purchase the Premises; (i) the address to which Notices to Tenant are to be sent; (j) that this Lease is subject and subordinate to all Mortgages encumbering the Property; and (k) such other matters as may reasonably be requested by the party requesting the certificate. It is intended that any such statements may be relied upon by the recipients of such statements, or their assignees, or by any prospective purchaser, assignee, or subtenant of the Premises.

23. Surrender and Holding Over.

(a) On the last day of the Term, or upon any earlier termination of this Lease by forfeiture, re-entry or otherwise, without the requirement of Notice of any kind from either party to the other, Tenant shall peaceably leave and surrender the Premises to Landlord, in good order and repair and in clean and sanitary condition, ordinary wear and tear and insured casualty excepted. Tenant at its expense shall remove from the Premises on or prior to such expiration or earlier termination the Trade Fixtures and all personal property owned by Tenant or third parties other than Landlord, and also at its expense shall immediately repair any damage to the Premises (including without limitation the Building) caused by such removal. Notwithstanding any other provision of this Lease, any Trade Fixtures and personal property not so removed at the end of the Term or within thirty (30) days after the earlier termination of this Lease for any reason whatsoever shall become the property of Landlord, and Landlord

may thereafter cause such property to be removed from the Premises. The costs of removing and disposing of such property (except with regard to any costs excluded by separate agreement between Landlord and Tenant, identifying certain items that may be left on the Premises by Tenant without any liability for the removal and disposal thereof) and repairing any damage to any of the Premises caused by such removal shall be borne by Tenant; provided, however, that Tenant's liability for such costs shall not exceed Ten Thousand Dollars (\$10,000.00). Landlord shall not in any manner or to any extent be obligated to reimburse Tenant for the value of any items that become the property of Landlord as a result of such expiration or earlier termination.

(b) If Tenant shall hold over after the expiration of the Term or earlier termination of this Lease, without having executed a new written Lease, extension, or renewal with Landlord, such holding over shall not constitute a renewal or extension of this Lease; and such holding over shall, at Landlord's election, be treated only as a month-to-month tenancy cancellable on thirty (30) days' Notice by either party, subject to all the other terms and conditions of this Lease, except monthly installments of Base Rent shall be due and payable at one hundred fifty percent (150%) of the Base Rent that was in effect as of the termination date. Nothing in this Section 23(b) shall be construed as limiting Landlord's exercise of all rights and remedies provided by Law or in equity, including the remedies set forth in Section 19(b), for Tenant's failure to surrender the Premises in accordance with Section 23(a), including without limitation any Law relating to the speedy recovery of the possession of lands and tenements wrongfully held over by tenants.

24. No Merger of Title. There shall be no merger of this Lease or of the leasehold estate created by this Lease with the fee estate in or ownership of any of the Premises by reason of the fact that the same person, corporation, firm or other entity may acquire or hold or own, directly or indirectly, both (a) this Lease or the leasehold estate created by this Lease or any interest in this Lease or in such leasehold estate; and (b) the fee estate or ownership of any of the Premises or underlying Land, or any interest in such fee estate or ownership. No such merger shall occur unless and until all persons, corporations, firms and other entities having any interest in (i) this Lease or the leasehold estate created by this Lease and (ii) the fee estate in or ownership of the Premises or underlying Land or any part thereof sought to be merged shall join in a written instrument expressly effectuating such merger, and shall duly record the same.

25. Definition of Landlord.

(a) Notwithstanding any other provision of this Lease, any claim based on or in respect of any liability of Landlord under this Lease shall be enforced only against Landlord's interest in the Land and the Premises and shall not be enforced against any other business or non-business assets of Landlord. Under no circumstances shall any partner, shareholder, member, manager, officer, employee, representative, or agent of Landlord be deemed personally obligated or liable for performing and observing any covenant, term, or condition of Landlord under this Lease. In the event of a Landlord Default as defined below, Tenant shall not seek and shall have no right to seek to enforce its rights under this Lease against any business or non-business assets personally owned or held by any such partner, shareholder, member, manager, officer, employee, representative, or agent of Landlord.

(b) The term "Landlord" as used in this Lease, so far as covenants or obligations on the part of Landlord are concerned, shall be limited to mean and include only the owner or owners of the Land and (subject to this Lease) the Premises at the time in question of the Land and (subject to this Lease) the Premises, and in the event of any transfer or transfers of the title of the Land and (subject to this Lease) the Premises, the Landlord herein named (and in case of any subsequent transfers or conveyances, the then grantor) shall be automatically freed and relieved from and after the date of such transfer and conveyance of all covenants and obligations on the part of Landlord contained in this Lease thereafter to be performed.

26. Environmental Matters.

(a) For the purposes hereof, the term “Hazardous Materials” shall include, without limitation, any material, waste or substance which (i) is included within the definitions of “hazardous substances,” “hazardous materials,” “toxic substances,” or “hazardous wastes” in or pursuant to any Laws, or subject to regulation under any Law; (ii) is listed in the United States Department of Transportation Optional Hazardous Materials Table, 49 C.F.R. Section 172.101, as enacted as of the date hereof or as hereafter amended, or in the United States Environmental Protection Agency List of Hazardous Substances and Reportable Quantities, 40 C.F.R. Part 302, as enacted as of the date hereof or as hereafter amended; or (iii) is explosive or radioactive, or constitutes or contains asbestos, a polychlorinated biphenyl, petroleum or a petroleum product, or waste oil. The term “Environmental Laws” shall include all Laws pertaining to health, industrial hygiene, Hazardous Materials, or the environment, including without limitation each of the following, as enacted as of the date hereof (inclusive of all amendments) or as hereafter amended: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §9601 *et seq.*; the Resource Conservation and Recovery Act of 1970, 42 U.S.C. §6901 *et seq.*; the Toxic Substance Control Act, 15 U.S.C. §2601 *et seq.*; the Water Pollution Control Act (also known as the Clean Water Act), 33 U.S.C. §1251 *et seq.*; the Clean Air Act, 42 U.S.C. §7401 *et seq.*; and the Hazardous Materials Transportation Act, 49 U.S.C. §5101 *et seq.*

(b) Landlord hereby represents and warrants that, except as disclosed in the following sentence, and in the Environmental Reports listed on Exhibit E hereto, as of the Effective Date, to the best of Landlord’s actual knowledge and without any further investigation (or duty to undertake same): (i) neither the Land nor any portion thereof has been used by Landlord or by any prior owner for the generation, manufacture, storage, handling, transfer, treatment, recycling, transportation, processing, production, refinement, or disposal of any Hazardous Materials (each, a “Regulated Activity”); (ii) there are no Hazardous Materials present on, in, or under the Land or any portion thereof, except to the extent expressly permitted by the terms of this Section 26; (iii) there are no underground storage tanks under the Land or any portion thereof; and (iv) there is no investigation or inquiry by any Governmental Authority concerning any possible Regulated Activity or otherwise pursuant to any Environmental Laws, with respect to or affecting the Land or any portion thereof. If any Environmental Reports confirm the presence of Hazardous Materials in, on, about, or under the Land in violation of applicable Environmental Laws, pre-dating the Effective Date (whether the release of such Hazardous Materials was caused by Landlord or any other party), then Landlord shall be solely responsible for undertaking or causing any responsible outside party, whether a natural person, private company, or governmental or quasi-governmental entity, including without limitation any prior owner or occupant (collectively, “Third Parties”) to undertake any required Remedial Work (as defined below), and Tenant, provided that Tenant does nothing to cause or permit any further violations of such Environmental Laws, shall have no responsibility in connection therewith, other than the duty to cooperate with Landlord’s efforts to cause such Remedial Work to be completed.

(c) Tenant covenants that in all respects under this Lease, Tenant will comply, and will cause the Premises to comply, with all Environmental Laws applicable to the Premises. Specifically, and without limitation of the foregoing, Tenant (i) will not at any time during the Term engage in or permit the use of the Premises for any Regulated Activity (other than as stated in this Section 26(c)); (ii) in the performance of Tenant’s Work or any other Alterations, will (A) not permit the installation on the Premises of any construction materials or other items constituting or containing any Hazardous Materials (except in compliance with all applicable Environmental Laws), or any underground storage tanks, or any surface impoundments and (B) in all other respects will cause (and will require Tenant’s agents and contractors to cause) all such work to be performed in compliance with applicable Environmental Laws, including without limitation Environmental Laws relating to potential exposure of persons working on or visiting the Premises to Hazardous Materials during any phase of

construction; and (iii) in the event of any occurrence of any environmental contamination in, on, about, or under the Premises in violation of applicable Environmental Laws, will comply with the requirements of Section 26(d) below. Notwithstanding any provision of this Lease to the contrary, Tenant, in connection with the operation and maintenance of the restaurant business constituting the Permitted Use of the Premises, shall be permitted to use, handle, store, and dispose of industry-standard restaurant grade commercial cleaners and chemicals to maintain the Premises (including without limitation cleaners and chemicals to maintain the grease traps used in Tenant's restaurant operations), provided that such uses and activities are commercially reasonable and in compliance with all Environmental Laws. Landlord and Tenant acknowledge that any or all such cleaners and chemicals described in the preceding sentence may constitute Hazardous Materials (and that such activities may therefore be Regulated Activities); so long as Tenant complies with all Environmental Laws in connection therewith, such cleaners and chemicals shall be excluded from references to "Hazardous Materials" in Section 26(d) below.

(d) If, at any time during the Term, Hazardous Materials shall be found in, on, about, or under the Premises in violation of applicable Environmental Laws, Tenant shall immediately following Tenant's discovery of the same notify Landlord of same, and shall include in such Notice, to the extent of the information then available to Tenant, Tenant's initial evaluation as to whether such violation originated from a source within or outside of the Premises, and whether such violation was caused by any act or failure to act of Tenant (including any employee, agent, contractor, invitee, customer, subtenant, or other person under Tenant's control) or by Landlord (including any employee, agent, contractor, invitee, customer, or other person under Landlord's control) or by any Third Parties. If required under the applicable Environmental Laws, Tenant shall also promptly notify appropriate Government Authorities in charge of enforcing such Laws. If Landlord or a party under Landlord's control is the responsible party for the release of such Hazardous Materials, or if Landlord shall have assumed or retained liability for clean-up of such contamination pursuant to a separate written agreement with any party, Landlord shall have the affirmative obligation to undertake the required Remedial Work (as defined herein). In all other cases, following the delivery of all Notices required hereunder, Tenant (unless Landlord shall reasonably request or any Governmental Authority shall require otherwise), at Tenant's sole expense, shall undertake the required Remedial Work (where the release of such Hazardous Materials was caused by Tenant or a party under Tenant's control) or use commercially reasonable efforts to cause the responsible Third Parties to undertake the required Remedial Work, including without limitation by initiating legal action against such Third Parties, if necessary, to enforce their obligations under the applicable Environmental Laws. As used in this Section 26, "Remedial Work" shall refer collectively to any investigation, site monitoring, containment, cleanup, removal, restoration, or other remedial work of any kind or nature, to the extent required by Environmental Laws (including by order of any Governmental Authority having jurisdiction to enforce the same). Except as otherwise expressly provided in this Section 26(d), Landlord shall not be required to accept any institutional control (such as a deed restriction) that restricts the permitted uses (including without limitation the Permitted Use) of the Premises or any real property as a condition to any Remedial Work plan approved by the applicable Governmental Authority. Unless contrary to any order of the applicable Governmental Authority or in violation of applicable Environmental Laws, the Remedial Work required of Tenant or any Third Parties shall be limited to the work sufficient to achieve cleanup standards applicable to the continuing commercial use of the Premises as provided in this Lease ("Commercial Closure"); provided, however, that any Hazardous Materials left in place upon attaining such cleanup standards shall not reasonably be expected to cause or threaten to cause current or future migration of such Hazardous Materials from the environmental media in which such Hazardous Materials are present to any other environmental media or to any other properties in excess of applicable regulatory standards permitted under applicable Environmental Laws; and provided further, that nothing contained in this Section 26(d) shall be deemed to limit the obligations of Tenant under any other provision of this Section 26, including without limitation the indemnification obligations of the Tenant under Section 26(f). In the event an institutional control (such as a deed restriction, environmental land use restriction, or activity and use limitation) that

restricts the permitted use of or activities on the Premises (hereinafter a "Restriction") may be required in order to achieve Commercial Closure, Tenant shall submit any proposed Remedial Work plan describing such Restriction to Landlord for review and approval prior to submitting such plan to the applicable Governmental Authority for approval. Landlord shall not unreasonably withhold or delay its approval of any such Restriction so long as the following conditions are satisfied: (i) the Premises shall not pursuant to such Restriction be used for residential purposes, for a day care facility, or for agricultural purposes; (ii) the Premises shall continue to be adequately served by a municipal water supply and there shall be no requirement pursuant to such Restriction to use any ground water underlying the Premises; (iii) such Restriction shall not be reasonably likely to result in a material decrease in the fair market value of the Premises based upon the use of the Premises as commercial property, or to materially affect the marketability of the Premises or the ability to obtain financing secured by the Premises based upon the use of the Premises as commercial property; and (iv) such Restriction shall not be reasonably likely to create ongoing monitoring or reporting obligations of indefinite duration with respect to the Premises.

(e) To the extent that either Landlord or Tenant has knowledge thereof, it shall promptly provide Notice to the other, and to any Leasehold Mortgagee, of any of the following matters which are not specified in the Environmental Reports described on Exhibit E hereto:

(i) Any proceeding or investigation commenced or threatened by any Governmental Authority against Tenant or Landlord, with respect to the presence, suspected presence, release or threatened release of Hazardous Materials in, on, about, under, or from the Premises, or otherwise affecting the Premises;

(ii) All written notices of any pending or threatened investigation or claims made or any lawsuit or other legal action or proceeding brought by any person against (A) Tenant or Landlord or the Premises, or (B) any other party occupying the Premises or any portion thereof, in any such case relating to any loss or injury allegedly resulting from any Hazardous Materials alleged to be in, on, about, under, or from the Premises or otherwise relating to any violation or alleged violation of Environmental Laws;

(iii) Either the discovery of any occurrence or condition on the Premises that is not corrected within ten (10) days, or written notice received by Tenant of any occurrence or condition on any other property in the vicinity of the Premises, where such occurrence or condition reasonably could be expected to lead to the Premises or any portion thereof being in violation of any Environmental Laws or subject to any restriction on ownership, occupancy, transferability, or use under any Environmental Laws, or which might subject Landlord to any Environmental Claim. As used herein, "Environmental Claim" means any claim, action, investigation or written notice by any person alleging potential liability (including, without limitation, potential liability for investigatory costs, cleanup costs, governmental response costs, natural resource damages, property damages, personal injuries or penalties) arising out of, based on or resulting from (A) the presence, or release into the environment, of any Hazardous Materials in, on, about, under, or from the Premises, or (B) any other circumstances forming the basis of any alleged violation of any Environmental Law; and

(iv) The commencement and completion of any Remedial Work.

(f) TENANT AND LANDLORD (EACH, AS USED IN THIS SECTION 26(f), THE "INDEMNIFYING PARTY") SHALL BE SOLELY RESPONSIBLE FOR AND SHALL DEFEND, REIMBURSE, INDEMNIFY AND HOLD HARMLESS THE OTHER PARTY AND ITS LENDER (IF ANY), AND THEIR OFFICERS, DIRECTORS, SHAREHOLDERS, PARTNERS, ATTORNEYS, BENEFICIAL OWNERS, TRUSTEES, MEMBERS, MANAGERS, AND EMPLOYEES (EACH, AS USED IN THIS SECTION 26(f), AN "INDEMNIFIED PARTY") FROM AND AGAINST ALL DEMANDS, CLAIMS, ACTIONS, CAUSES OF ACTION, ASSESSMENTS, LOSSES,

DAMAGES, LIABILITIES (INCLUDING WITHOUT LIMITATION STRICT LIABILITIES), INVESTIGATIONS, WRITTEN NOTICES, COSTS AND EXPENSES OF ANY KIND (INCLUDING WITHOUT LIMITATION DIMINUTION IN PROPERTY VALUE AND REASONABLE EXPENSES OF INVESTIGATION BY ENGINEERS, ENVIRONMENTAL CONSULTANTS AND SIMILAR TECHNICAL PERSONNEL AND REASONABLE FEES AND DISBURSEMENTS OF COUNSEL), ARISING DIRECTLY OUT OF, IN RESPECT OF OR IN CONNECTION WITH (i) BREACH OF INDEMNIFYING PARTY'S REPRESENTATIONS, WARRANTIES, COVENANTS, OR OBLIGATIONS IN THIS SECTION 26; (ii) THE RELEASE, THREATENED RELEASE, OR PRESENCE OF ANY HAZARDOUS MATERIALS, OR THE OCCURRENCE OF ANY OTHER REGULATED ACTIVITY, AT, ON, ABOUT, UNDER, OR FROM THE PREMISES, CAUSED BY ANY ACT OR FAILURE TO ACT OF SUCH INDEMNIFYING PARTY OR OTHER PERSON UNDER SUCH INDEMNIFYING PARTY'S CONTROL; OR (iii) ANY ENVIRONMENTAL CLAIM WITH RESPECT TO THE PREMISES, FOR WHICH INDEMNIFYING PARTY SHALL HAVE ASSUMED OR RETAINED LIABILITY, EITHER CONTRACTUALLY OR BY OPERATION OF LAW.

(g) If, at any time during the Term, Landlord has reasonable grounds to believe that Hazardous Materials (except to the extent those substances are permitted to be used by Tenant under Section 26(c) in the ordinary course of its business and in compliance with all Environmental Laws) are or have been released, stored, or disposed of in, on, or about the Premises in violation of the Environmental Laws, or that any other violations of such Laws may exist at the Premises, Landlord shall deliver Notice thereof to Tenant, setting forth Landlord's reasonable grounds for believing such violations have occurred. Tenant, upon receipt of such Notice, shall have a period of thirty (30) days in which to either (i) at Tenant's sole expense, cure any such violations, to the extent they exist (or commence and diligently pursue such cure, if not capable of being completed within such period), and deliver Notice to Landlord of such cure; (ii) deliver Notice to Landlord expressly denying that any such violations exist at the Premises and stating Tenant's grounds for such denial (which shall at minimum respond to each of the grounds stated by Landlord in its Notice); or (iii) deliver Notice to Landlord that Tenant is not able either to confirm or deny the existence of such violations based on current knowledge. If Tenant exercises either option (ii) or (iii) in the preceding sentence, Tenant agrees to cooperate with Landlord's reasonable request for further information to confirm the existence or non-existence of such violations, including without limitation, as an initial step, by allowing Landlord and/or Landlord's agents to enter upon the Premises to inspect the areas (together with Tenant and/or Tenant's agents) in which Landlord reasonably believes such violations may have occurred. Regardless of how Tenant responds to Landlord's initial Notice under this Section 26(g), upon Landlord's reasonable request Tenant shall, at Tenant's sole expense, engage an environmental engineering or consulting firm (which shall have a demonstrated proficiency and specialty in the subject matter(s) of the suspected violations and shall be approved in advance by Landlord) to perform an environmental inspection or audit of the Premises to confirm the existence or non-existence of any such violations; provided, however, that if such professional inspection or audit (x) confirms that the Premises are not in violation of Environmental Laws, (y) indicates that any such violation of Environmental Laws was likely to have occurred prior to the Delivery Date, or (z) indicates that any such violation was likely the result of acts or failures to act of Landlord or other persons under Landlord's control, Landlord shall promptly reimburse Tenant for its reasonable costs of such inspection or audit (such reimbursement not to exceed the amount of Ten Thousand Dollars (\$10,000.00), however, unless Landlord shall have consented in writing to any higher amount prior to Tenant's engagement of such firm, where such amount equals a fixed fee quoted by such firm to perform such inspection or audit). If such professional environmental inspection or audit (or if any less formal cooperative effort by Landlord and Tenant prior to commissioning any professional environmental inspection or audit as aforesaid) confirms that the Premises are in violation of Environmental Laws, then the provisions of Section 26(d) above shall govern.

(h) If Tenant (i) fails to provide any response within thirty (30) days to Landlord's initial Notice under the preceding Section 26(g) stating Landlord's reasonable belief that Hazardous Materials or other violations of Environmental Laws exist at the Premises; or (ii) fails or refuses to cooperate with Landlord's reasonable request to ascertain informally whether any such violations exist; or (iii) fails or refuses to engage an environmental engineering or consulting firm to perform an environmental inspection or audit of the Premises in accordance with the provisions of the preceding Section 26(g); or (iv) fails to undertake a cure of any violations of Environmental Laws found to exist (to the extent that such environmental audit or inspection indicates that (x) any such violation of Environmental Laws was likely to have occurred after to the Delivery Date or (y) any such violation was likely the result of acts or failures to act of Tenant or other persons under Tenant's control), then, in such event, Landlord shall have the right (but not the obligation) to engage its own environmental engineering or consulting firm to perform such environmental inspection or audit, and to take any and all other reasonable actions to confirm the existence or non-existence of the suspected violations of Environmental Laws at the Premises, and if such violations are confirmed to exist (to the extent that such violation of Environmental Laws was likely to have occurred after to the Delivery Date) to undertake, directly or through any contractor or agent, any actions Landlord deems necessary and appropriate under the circumstances to cure the same (or to cause responsible Third Parties to cure the same), all of the foregoing actions being for the account of and at the expense of Tenant. In such circumstances Landlord and its employees, agents, and contractors (including without limitation any such environmental engineering or consulting firm) shall have the right to enter upon the Premises upon reasonable Notice (which shall be not less than five (5) business days except in the case of emergency) and to take any or all of the foregoing actions. In the event of any emergency entry Landlord shall use reasonable efforts to notify Tenant of the situation by phone or other available communication. All costs incurred by Landlord due to Tenant's failure or refusal to act, as stated in this Section 26(h) (regardless of whether any violations of Environmental Laws are ever confirmed to exist at the Premises), shall be the sole responsibility of Tenant, and Tenant shall reimburse Landlord for such costs as Additional Rent payable immediately upon written demand therefor by Landlord; if Tenant fails to make such reimbursement within five (5) business days following such written demand, interest shall accrue on the outstanding balance thereof, at the Default Rate, from the date of Landlord's payment until fully paid by Tenant.

(i) The indemnity obligations and the rights and remedies of the parties under this Section 26 shall survive the expiration or earlier termination of this Lease, but shall terminate seven (7) years from the date of the expiration or earlier termination of this Lease if no "Recognized Environmental Conditions" shall have been identified in any environmental reports provided to Tenant relating to the Premises; and, if any Recognized Environmental Conditions shall have been identified in any such environmental reports, then the indemnity obligations and the rights and remedies of the parties under this Section 26 shall terminate seven (7) years from the later to occur of the date of the expiration or earlier termination of this Lease, or the date on which Tenant furnishes Landlord with a "No Further Action" letter or equivalent from the applicable Governmental Authority having jurisdiction over such Recognized Environmental Conditions.

(j) Landlord shall not cause or give its permission for any Hazardous Materials to be used, stored, generated or disposed of on, in or under the Land or the Premises in a manner that violates any Environmental Law.

27. Entry by Landlord. Landlord and its authorized agents and representatives, in addition to their entry rights as stated in Section 12(d) and Section 26(h), shall have the right upon reasonable Notice to Tenant (which shall be not less than five (5) business days unless Tenant expressly consents otherwise) to enter upon the Premises at all reasonable business hours for the purpose of showing the Premises to prospective purchasers, mortgagees, and/or tenants at any time within six (6) months prior to the expiration of the Term of this Lease. In connection with the foregoing, Landlord shall have the right to place on or about the Premises, without interference, "For Rent" or "For Sale" signs, as applicable. No

such entry shall constitute an eviction of Tenant, but any such entry shall be done by Landlord in such reasonable manner as to minimize any disruption of Tenant's business operations constituting the Permitted Use of the Premises, and in accordance with any reasonable security requirements of Tenant relating thereto.

28. Tenant's Representations and Warranties. Tenant hereby represents and warrants as follows:

(a) Tenant is a _____ duly organized and validly existing, in good standing, under the laws of the Commonwealth of Virginia, and has all requisite power and authority to own its property and to carry on its business as now being conducted, and as will be conducted as the Permitted Use of the Premises under this Lease.

(b) Tenant has the absolute legal right, power, and authority to enter into and perform this Lease for the entire Term, for the Permitted Use hereby intended, and to incur the obligations provided for herein, all of the foregoing having been duly authorized by all proper and necessary action under Tenant's corporate charter. No consent or approval of any public authority regarding Tenant's engaging in the Permitted Use of the Premises, other than as expressly provided in this Lease, is required as a condition to the validity or enforceability of this Lease, or if such consent or approval is required, the same either has been or shall be, in the course of performance of this Lease, duly obtained by Tenant at Tenant's sole expense.

(c) The person signing this Lease on behalf of Tenant has been duly authorized to do so as the valid and legally binding obligation of Tenant, and this Lease is fully enforceable against Tenant in accordance with its terms.

(d) There is no litigation or proceeding pending or, so far as Tenant knows, threatened before any court or administrative agency which, in the opinion of Tenant, will materially adversely affect the financial condition or operations of Tenant, or the authority of Tenant to enter into, or the validity or enforceability of, this Lease, or any other document that Tenant may execute and deliver pursuant to this Lease.

(e) Except as disclosed to Landlord in writing, there is (i) no charter document, bylaw, or preference stock provision of Tenant and no provision of any existing mortgage, indenture, contract, or agreement binding on Tenant or affecting its property, and (ii) no provision of Law or order of court binding upon Tenant, which would conflict with, or which would be in default or violated as a result of, the execution, delivery, or performance of the terms of this Lease, or any other document that Tenant may execute and deliver pursuant to this Lease.

29. No Usury. The intention of the parties being to conform strictly to the applicable usury Laws of the Commonwealth of Virginia, whenever any provision herein provides for payment by Tenant to Landlord of interest at a rate in excess of the legal rate permitted to be charged, such rate herein provided to be paid shall be deemed reduced to such legal rate.

30. Severability. Each and every covenant and agreement contained in this Lease is, and shall be construed to be, a separate and independent covenant and agreement, and the breach of any such covenant or agreement by Landlord shall not discharge or relieve Tenant from its obligation to perform the same. Each term and provision of this Lease shall be valid and shall be enforced to the fullest extent permitted by law. If any term or provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid and unenforceable, then such provision shall be deemed to be automatically replaced by the valid and enforceable provision most substantively similar to such invalid or unenforceable provision, and the remainder of this Lease, or the application of such term or provision

to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby.

31. No Brokers. Each of Landlord and Tenant represents and warrants to the other that it has not dealt with any broker, agent, finder, or other person in the negotiations for and procurement of this Lease, and that no commissions, fees, or compensation of any kind are due and payable in connection herewith to any broker, agent, finder or other person as a result of any such dealings. Landlord and Tenant shall each indemnify, defend and save the other harmless from and against any loss, cost, damage or expense, including reasonable attorney's fees, arising from any breach by it of the foregoing representation and warranty. This indemnity shall survive the termination of this Lease.

32. Landlord's Representations, Warranties, and Covenants.

(a) Landlord hereby represents and warrants that, as of the Effective Date:

(i) Landlord has the absolute legal right, power, and authority to enter into and perform this Lease for the entire Term, for the Permitted Use hereby intended, and if Tenant shall pay all Rent when due and punctually perform all the covenants, terms, conditions, and agreements of this Lease to be performed by Tenant, then, subject to the provisions of this Lease, Tenant shall peaceably and quietly have, hold, and enjoy the Premises and all rights, Easements, covenants, and privileges belonging or in any way appertaining thereto, during the term of this Lease, without hindrance by Landlord or anyone claiming through or under Landlord;

(ii) There are no oral agreements between Landlord and Tenant affecting this Lease or any exhibit attached hereto, it being hereby acknowledged that this Lease and such exhibits supersede and cancel any and all previous negotiations, arrangements, letters of intent, lease proposals, brochures, agreements, representations, promises, warranties and understandings between the parties;

(iii) To the best of Landlord's actual knowledge, there is no defect or deficiency in any of the Premises of any nature, whether patent or latent, no existing violation of any Permitted Encumbrance, Legal Requirements, or Insurance Requirements, and no Imposition that has been specially assessed or is expected to be specially assessed against the Land or Premises that Landlord has not disclosed to Tenant; and

(iv) To the best of Landlord's actual knowledge, Landlord has good and marketable fee simple title to the Land and sole, full, and unencumbered legal and equitable rights of ownership in the Land and the Premises, and there are no title defects affecting the Land or the Premises or any condition that shall or could render title to the Land or the Premises unmarketable or uninsurable, or that in any other manner shall or could impact (materially or otherwise) Tenant's ability to perform all Tenant's Work and conduct the business constituting the Permitted Use, and Landlord has not received or sent any notice or communication from or to any third party alleging or referring to any such title defects or other such conditions.

(b) Landlord hereby covenants as follows:

(i) To deliver a written certificate to Tenant on the Delivery Date confirming that all of the representations and warranties set forth in Section 32(a) are true and correct as of the Delivery Date, and further confirming that, to the best of Landlord's actual knowledge, there are no accrued but unsatisfied obligations, financial or otherwise, existing as of the Delivery Date under any Impositions, Permitted Encumbrances, Easements, or Legal Requirements;

(ii) To pay, directly to the appropriate party, any and all accrued but unpaid financial obligations under any Impositions, Permitted Encumbrances, Easements, or Legal Requirements, to the extent that (but only to the extent that) such obligations occur, accrue, or otherwise are charged for a period prior to or subsequent to the period for which Tenant is the responsible party under the terms of this Lease;

(iii) To enter no agreement with any other party that would restrict the rights of Tenant to use and occupy the Premises as set forth under this Lease, except with Tenant's written consent; and

(iv) To indemnify, defend, and hold harmless Tenant against any claim, loss, or damage (including reasonable attorney's fees and costs) suffered by Tenant by reason of Landlord's breach of any representation, warranty, or covenant contained in this Section 32.

33. Tenant's Contingencies. Notwithstanding any contrary provision in this Lease, Tenant's obligations under this Lease are contingent upon the occurrence of all the following, within the applicable time periods stated herein:

(a) Landlord's approval (active or passive) of the Drawings and Plans, original or as revised, within fifteen (15) days of receipt thereof from Tenant, as set forth in Section 1(c);

(b) The ability of Tenant to obtain all Renovation Plan Approvals within _____ (_____) months of the Effective Date (subject to any reasonable extension of such period as to which the parties may hereafter agree); *subject, however*, to Tenant's having promptly applied for all applicable Permits and Architectural Approval and used diligent efforts (with Landlord's cooperation if applicable) to obtain the same within such time frame, as set forth in Section 1(d);

(c) Landlord's ability to deliver sole possession of the Premises to Tenant within sixty (60) days after the date on which Tenant delivered its Approval Notice, as set forth in Section 3(a).

If any of the foregoing contingencies fails to occur, Tenant may terminate this Lease by Notice to Landlord, which, if any, shall be delivered not later than five (5) business days following the expiration date of the applicable time period for such contingency as stated herein; and upon timely delivery of such Notice, the parties shall have no further obligations under this Lease, except as expressly stated otherwise in this Lease. Any contingency set forth herein, once satisfied, shall be deemed irrevocably extinguished and may not be revived under any circumstances.

34. Leasehold Mortgages. Tenant, its successors and assigns, shall have the right, at its option, to mortgage Tenant's leasehold interest under this Lease, in whole or in part, without Landlord's prior consent. If Tenant or any successor shall encumber the leasehold created hereunder with one or more mortgages (each, a "Leasehold Mortgage;" the holder of which is referred to herein as a "Leasehold Mortgagee"), the following provisions will apply:

(a) Upon the placing of a Leasehold Mortgage, Tenant or the Leasehold Mortgagee shall provide written Notice to Landlord thereof, and of the address of the Leasehold Mortgagee to which Notices under this Section 34 shall be sent. So long as a Leasehold Mortgage is in effect as to which such Notice has been given to Landlord, no surrender, alteration, amendment, or modification of this Lease shall be made without the prior written consent of such Leasehold Mortgagee. Landlord agrees to provide any such Leasehold Mortgagee with an estoppel certificate setting forth the status of this Lease within thirty (30) days following such Leasehold Mortgagee's written request therefor.

(b) When giving Notice to Tenant with respect to any Event of Default (or any

circumstance that, if uncorrected or uncured will become an Event of Default), including without limitation the Final Notice, Landlord will also serve a copy of such Notice upon each Leasehold Mortgagee as to which Landlord has received Notice from Tenant, and no such Notice to Tenant shall be effective unless a copy of such Notice is served upon the Leasehold Mortgagee in the manner herein provided for the giving of Notice to the Leasehold Mortgagee. Each Leasehold Mortgagee shall have an additional period of thirty (30) days, in which to cure any monetary default, and in which to cure (or, where a complete cure is not possible within such period, to commence and diligently pursue such cure) any non-monetary default, and Landlord shall accept such performance on the part of the Leasehold Mortgagee as though the same had been done or performed by Tenant.

(c) Notwithstanding the provisions of Section 19(b), in the case of any Event of Default by Tenant, Landlord will take no action to effect a termination of this Lease without first giving to any and every Leasehold Mortgagee of Tenant reasonable time within which either (i) to obtain possession of the Premises (including possession by a receiver) and cure such default, in the case of a default that is capable of being cured only when the Leasehold Mortgagee has obtained possession; or (ii) in the case of a default that is not otherwise capable of being cured by the Leasehold Mortgagee, to institute foreclosure proceedings and complete such foreclosure, or otherwise acquire the Tenant's interest under this Lease; *provided, however*, that the Leasehold Mortgagee shall promptly pay when due any and all Base Rent, Additional Rent, and any other amounts payable under this Lease becoming due during any proceedings for possession or foreclosure proceedings as referenced herein; *and provided, further*, that nothing herein shall preclude Landlord from exercising any rights and remedies under this Lease with respect to any other Event of Default by Tenant during any period of such forbearance, subject to the provisions hereof. The Leasehold Mortgagee shall not be required to continue any such possession or foreclosure proceedings if the Event of Default that would have been the reason for effecting a termination of this Lease shall be cured.

(d) Landlord agrees that there shall not be a merger of this Lease, or of the leasehold estate created hereby, with the fee estate in the Land, by reason of both estates coming into common ownership, unless Leasehold Mortgagee consents in writing to such merger. If Tenant hereafter acquires the fee simple estate in the Land, then any existing Leasehold Mortgage shall simultaneously and without further action become a lien on such fee simple estate.

(e) Landlord acknowledges that, during the Term of this Lease, Landlord shall have no present claim or interest, but rather, only a reversionary interest as discussed in this Lease, in and to the Building and the other new Improvements constructed by Tenant on the Premises, and further, that Landlord shall have no claim or interest in and to Tenant's Trade Fixtures or other personal property used in the operation of Tenant's business at the Premises, or any Net Proceeds of insurance or any Net Award of a Taking that are expressly reserved under this Lease for benefit of Tenant. During the Term of this Lease Landlord hereby waives, in favor of Leasehold Mortgagee, any right to acquire any present interest in any of the foregoing, to the extent that such present interest shall then be pledged to Leasehold Mortgagee as security for the Leasehold Mortgagee's loan.

(f) Landlord agrees to recognize Leasehold Mortgagee or any purchaser at foreclosure sale as a new subtenant under the terms and conditions of this Lease, provided that all Base Rent, Additional Rent, and any other amounts payable under this Lease are brought and kept current, and provided further that Leasehold Mortgagee or such purchaser at foreclosure sale promptly cures any and all non-monetary defaults under this Lease. If Leasehold Mortgagee (but not a purchaser at foreclosure sale) acquires the leasehold interest of Tenant, Section 17 shall be deemed modified to provide Leasehold Mortgagee with an unrestricted right to assign the leasehold estate, so long as such successor tenant (i) does not intend to use the Premises in violation of Section 4, and (ii) agrees to assume, and is financially qualified to assume, the obligations of Tenant under this Lease from the date of the assignment to the end of the Term.

(g) Except as otherwise provided in this Section 34, any termination, surrender or material modification of this Lease by joint action of Landlord and Tenant without the prior written consent of the Leasehold Mortgagee shall not be binding upon the Leasehold Mortgagee. In the event of such termination, surrender or modification, or in the event of a termination because of a Tenant bankruptcy or any Tenant default which cannot by its nature be cured by the Leasehold Mortgagee, the Leasehold Mortgagee, or its assignee or nominee (which assignee or nominee shall meet the requirements of this Lease), shall have the right by written Notice to Landlord given within sixty (60) days after Notice to Leasehold Mortgagee of such termination, surrender or modification, to enter into a new lease of the Premises with Landlord (i) for the balance of the term remaining as of the date of such termination, surrender or modification, (ii) containing the same terms and conditions as those last consented to by the Leasehold Mortgagee in writing (including the identical Base Rent provided for herein), and (iii) having priority equal to this Lease by virtue of the recording of this Lease (or a short form or memorandum thereof) if such priority is permitted by law, although Landlord does not and shall not be deemed to have made any representations regarding law or such priority (a "New Lease"), provided, however, that Leasehold Mortgagee's right to obtain a New Lease is subject to the following conditions:

(i) If Landlord has given the required written Notice to Leasehold Mortgagee of Tenant's failure to pay any sums due under this Lease, Leasehold Mortgagee shall pay, or cause to be paid, to Landlord at the time of execution and delivery of the New Lease, any and all sums that would at the time of execution and delivery thereof be due under this Lease but for such termination, surrender or modification, and cures all other defaults that can be cured, and shall pay or cause to be paid any and all expenses, including reasonable attorneys fees, incurred by Landlord in connection with the default, termination or surrender of this Lease and the execution and delivery of the New Lease.

(ii) Any New Lease shall recognize the subtenant under each and every sublease that immediately prior to the termination of this Lease was superior to the legal operation and effect of the Leasehold Mortgagee, as though the sublease had never terminated but had continued in full force and effect after the termination of this Lease; and the tenant under the New Lease shall be deemed to have assumed all obligations of the sublandlord under the sublease accruing from and after the termination of this Lease, provided, however, that the obligation of the tenant under such New Lease on any covenant of quiet enjoyment, express or implied, contained in the sublease shall be limited to the acts or omissions of such tenant and those claiming by, under, or through such tenant. Upon execution and delivery of a New Lease, all subleases that may previously have been assigned and transferred to Landlord shall thereupon be assigned and transferred without recourse by Landlord to the new tenant.

35. Miscellaneous.

(a) Tenant acknowledges that neither Landlord nor any broker, agent, or employee of Landlord has made any representations or promises with respect to the Premises or the terms and conditions of the demise thereof to Tenant except as expressly set forth herein, and no rights, privileges, easements, or licenses are being acquired by Tenant except as expressly set forth herein. This Lease contains the entire agreement of the parties and supersedes all prior agreements, negotiations, letters of intent, proposals, representations, and discussions between the parties as to the subject matter hereof.

(b) The section headings in this Lease are provided only for convenience of reference and are not part of this Lease or to be used in determining the intent of the parties or otherwise interpreting this Lease. Feminine, masculine, or neuter pronouns shall be interchangeable, and the plural interchangeable with the singular, in any place in which context logically calls for such substitutions.

(c) As used in this Lease the following words and phrases shall have the following meanings, unless expressly stated otherwise: (i) "including" shall mean "including but not limited to"; (ii) "provisions" shall mean "provisions, terms, agreements, covenants, and/or conditions"; (iii) "lien" shall

mean "lien, charge, encumbrance, title retention agreement, pledge, security interest, mortgage, and/or deed of trust"; and (iv) "obligation" shall mean "obligation, duty, agreement, liability, covenant, or condition."

(d) Any act which Landlord is permitted to perform under this Lease may be performed at any time and from time to time by Landlord or any person or entity designated by Landlord. Any act which Tenant is required to perform under this Lease shall be performed at Tenant's sole cost and expense.

(e) This Lease may be modified, amended, discharged or waived only by an agreement in writing signed by the party against whom enforcement of any such modification, amendment, discharge or waiver is sought.

(f) The covenants of this Lease shall run with the Land and shall inure to the benefit of and bind Tenant, its representatives, successors and assigns, and all present and subsequent encumbrancers and subtenants of any of the Premises, as well as Landlord, its representatives, successors and assigns.

(g) This Lease may be executed in counterparts, each of which shall constitute an original, and all of which when taken together shall constitute one and the same instrument. Signatures delivered via photocopy, facsimile, and/or scanned image attachment to electronic mail shall be deemed equivalent to original signatures for all purposes.

(h) This Lease shall be governed by and construed according to the laws of the Commonwealth of Virginia, without regard to its rules and principles governing conflicts of laws, and further, without regard to any presumption or other rule of law regarding construction or construing of any ambiguous term or provision against the party causing this Lease to be drafted.

(i) Wherever the consent or approval of Landlord is required hereunder and the request for consent or approval is provided to Landlord in writing, except as otherwise expressly provided herein, Landlord agrees that it will not unreasonably withhold, condition or delay such consent or approval. Any grant of consent or approval by Landlord of any act by Tenant shall not be construed to waive or render unnecessary the requirement for Landlord's consent or approval in the future of any similar act by Tenant.

(j) Nothing contained in this Lease shall be construed as creating any partnership, joint venture, agency, or other legal relationship between Landlord and Tenant other than that of landlord and tenant.

(k) If Landlord does not execute this Lease within two (2) weeks of execution by Tenant, this Lease shall automatically be deemed null and void. In such event, within three (3) business days, Landlord shall return any and all monies paid and all copies of this Lease executed by Tenant.

(l) The submission of an unsigned copy of this document to Tenant shall not constitute an offer or option to lease the Premises. This Lease shall become effective and binding only upon execution and delivery by both Landlord and Tenant.

(m) Time is of the essence with respect to each and every obligation under this Lease.

(n) Any liability of Tenant (or any sublessee or assignee) to Landlord existing hereunder as of the expiration or earlier termination of the Term shall survive such expiration or earlier termination.

(o) Except for Tenant's obligation to pay the Base Rent, Additional Rent, and any other sums under this Lease, if Landlord or Tenant is in any way delayed, interrupted, or prevented from performing any obligation under this Lease, and such delay, interruption, or prevention is due to Excusable Delay, then the time for performance of such obligation(s) by Landlord or Tenant (as the case may be) shall be excused for the period of such Excusable Delay and extended for a period equivalent thereto.

(p) Tenant shall bear the reasonable legal review costs incurred by Landlord in connection with any proposed Transfer under Section 17, and any other approval or consent sought by Tenant under this Lease, including, without limitation, any agreement, certificate, subordination agreement, estoppel certificate, or other document which Landlord is requested to execute or to provide to Tenant or any other party. Nothing set forth in this Section 35(p) shall be construed as requiring Landlord to consider or grant any such request or to execute and/or deliver any such certification or documentation.

36. [Intentionally Deleted.]

37. Default by Landlord. If Landlord fails to perform any of the terms, provisions, covenants, or conditions to be performed or complied with by Landlord under this Lease, and if such failure shall remain uncured for a period of thirty (30) days after Tenant shall have delivered Notice thereof to Landlord, or such longer period of time as to which Tenant shall have consented based upon Landlord's breach being of a nature that requires more than thirty (30) days to cure (on the condition that Landlord commences and diligently pursues such cure within such period), then, in such event Tenant may by written Notice to Landlord declare Landlord to be in default under this Lease. Upon any such default by Landlord (a "Landlord Default"), Tenant, at its option, may pay on Landlord's account such amount as Landlord was required to pay, and may (to the extent that Tenant is capable of doing so) perform on Landlord's account such term, provision, covenant, or condition as Landlord was required to perform, and in such event, all reasonable costs incurred by Tenant in the curing of such Landlord Default (including without limitation reasonable attorneys' fees and costs) shall be immediately payable by Landlord upon written demand from Tenant. In the event any Landlord Default shall be of a nature requiring prompt action to avoid imminent injury to persons, damage to property or imminent cessation of Tenant's business operations, Tenant shall use its best efforts to notify Landlord of such condition in a manner reasonably calculated to provide actual Notice to the executive personnel of Landlord of such condition and the required action, and Landlord shall be given sufficient time, reasonable under the circumstances, to remedy such condition; and if despite such Notice and opportunity to cure such condition the same remains uncured Tenant shall have the right to cure such condition and Tenant shall have the right to collect Tenant's reasonable costs of such cure as otherwise provided in this Section. If Landlord fails to make any such reimbursement to Tenant within five (5) business days following such demand Notice, interest shall accrue on the outstanding balance thereof, at the Default Rate, from the date of Tenant's demand Notice until fully paid by Landlord. If Landlord refuses to reimburse Tenant for any reasonable costs incurred by Tenant in the curing of such Landlord Default, and/or if Tenant shall have sustained damage or loss by reason of such Landlord Default (to the extent such damage or loss is not otherwise covered by title or other insurance), Tenant may initiate legal action against Landlord for the recovery of monetary damages for such Landlord Default, subject in all cases to the provisions of Section 25. If Tenant should prevail in any such action, then upon obtaining a final and unappealable judgment against Landlord Tenant shall be further entitled to collect from Landlord Tenant's reasonable costs and expenses in connection with such action. Nothing in this paragraph is intended to limit Tenant's rights to pursue any equitable remedy that may be available in connection with any Landlord Default. In no event shall Tenant be entitled to offset any payment of Base Rent, Additional Rent, or any other amount payable by Tenant under this Lease, or to withhold performance of any of the other terms, provisions, covenants, or conditions to be performed or complied with by Tenant under this Lease, on account of any Landlord Default.

38. ADA Compliance. Tenant, in connection with all Tenant's Work and all Alterations, shall cause all common areas of the Improvements to comply with all laws regarding public accommodations contained in the Americans with Disabilities Act of 1990, as amended, and all applicable regulations and guidelines thereunder.

39. Waiver of Jury Trial. THE PARTIES HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER AS TO ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, INCLUDING WITHOUT LIMITATION THE PAYMENT OR NONPAYMENT OF RENT OR ANY OTHER AMOUNT DUE HEREUNDER, THE RELATIONSHIP OF LANDLORD AND TENANT, THE REQUIREMENTS OF TENANT'S USE AND OCCUPANCY OF THE PREMISES, AND ANY CLAIM OF INJURY OR DAMAGE.

40. Confidentiality. The Parties, for themselves, their successors and assigns, and also for their affiliates, members, partners, principals, officers, employees, agents, and brokers, agree to keep the provisions of this Lease confidential and not to cause or allow the provisions of this Lease to be disclosed to members of the public, except with regard to the information that may be set forth on any Memorandum of Lease in the form attached hereto as Exhibit D, which may at Tenant's election be recorded among the Land Records of the City of Alexandria, Virginia, pursuant to Section 9(b) above. This Section 40 shall not be construed as prohibiting either party from providing a copy of this Lease to any person or entity essential to such party's performance of this Lease and/or business purposes in connection herewith and/or rights hereunder, including without limitation any Leasehold Mortgagee or insurance provider, or to the attorney or accountant for such party, or to any Governmental Authority of competent jurisdiction in compliance with any requirement or order thereof.

[SIGNATURES NEXT PAGE.]

IN WITNESS WHEREOF, Landlord and Tenant have caused this instrument to be executed under seal as of the day and year first above written.

LANDLORD:

CITY OF ALEXANDRIA, a municipal
corporation of Virginia

TENANT:

_____, a

By: _____ [SEAL]
Name:
Title:

By: _____ [SEAL]
Name:
Title:

Exhibit A: Legal Description of Land
Exhibit B: Final Approved Renovation Plans
Exhibit C: Addendum: Confirmation of Dates
Exhibit D: Memorandum of Lease
Exhibit E: Environmental Reports

1350149\001\Lease Agreement

EXHIBIT A

LEGAL DESCRIPTION OF LAND

EXHIBIT B

FINAL APPROVED RENOVATION PLANS

EXHIBIT C

ADDENDUM: CONFIRMATION OF DATES

Special provisions amending and supplementing that certain Lease Agreement (the "Lease") having the effective date of _____, 2013 (the "Effective Date") by and between CITY OF ALEXANDRIA, a municipal corporation of Virginia (the "Landlord") and _____, a _____ (the "Tenant").

Landlord and Tenant hereby confirm that all references to the following dates in the foregoing and hereto attached Lease shall have the following meanings:

Delivery Date: _____.

Rent Commencement Date: _____.

Lease Year Commencement Date: _____.

Expiration of Initial Term: _____.

Except as stated in this Addendum, all provisions of the Lease shall remain enforceable in accordance with their terms as stated therein, and/or as may be stated in any future amendment thereto.

IN WITNESS WHEREOF, Landlord and Tenant have caused this instrument to be executed under seal as of the day and year first above written.

LANDLORD:

CITY OF ALEXANDRIA, a municipal
corporation of Virginia

TENANT:

_____, a

By: _____ [SEAL]
Name:
Title:

By: _____ [SEAL]
Name:
Title:

EXHIBIT D

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is made by CITY OF ALEXANDRIA, a municipal corporation of Virginia (the "Landlord") and _____, a _____ (the "Tenant").

W I T N E S S E T H:

The parties hereto have entered into a written Lease Agreement dated _____, 2013 (the "Lease"), for the following described property:

(i) Those certain lots or parcels of land situate in the City of Alexandria, Virginia, containing in the aggregate approximately 0.444 acres, more or less, having the street address of 0 Prince Street and 200 Strand Street, Alexandria, VA 22314, as more fully described on Exhibit A attached hereto and incorporated herein by reference, together with all easements, rights and appurtenances thereunto belonging or appertaining, subject, however, to all reciprocal rights and obligations appertaining to and burdening the said lands for benefit of the owners and occupants of adjacent lands (collectively, the "Land");

(ii) All buildings, structures, and other improvements now or hereafter situated on the Land, including without limitation (A) the Building and any paved parking areas, drive aisles, curbs, sidewalks, steps, ramps, fences, walls, rails, landscaped areas, loading area structures, outbuildings, utility boxes, and other structures existing in connection therewith; and (B) any and all future Alterations to any and all of the foregoing to be constructed by Tenant under this Lease (collectively, the "Improvements"); and

(iii) All machinery, equipment, and fixtures now or hereafter attached to the Building or other Improvements in such a manner as to become fixtures under applicable law, together with all additions and accessions thereto, substitutions therefor, and replacements thereof permitted by this Lease (collectively, the "Fixtures").

SUBJECT, HOWEVER, to the affirmative obligation of Tenant to maintain any and all public walkways situated on any portion of the Land, which provide public access to the Alexandria Waterfront and to the wood pier that is the launch site for dinner boat cruises, continuously open, unobstructed, and unused for any purpose of Tenant, ensuring that members of the public may enjoy unlimited pedestrian use thereof at all times during the Term of this Lease.

The Land, the Improvements, and the Fixtures, as the same may be modified from time to time as described in this Lease, are collectively referred to herein as the "Premises."

TOGETHER WITH all appurtenant rights, privileges and easements, for a term of ten (10) years commencing on _____ and terminating on _____, subject to Tenant's option to renew such term as many as two (2) times, each time for a period of five (5) additional years. Provided that there then exists no Event of Default under the Lease, Tenant may exercise its option, and each of them, to renew the term of the Lease, by delivery of written notice to Landlord delivered not less than six (6) months prior to the expiration of the then-current term. The maximum possible date to which the Lease may be renewed, if Tenant exercises both of the herein described options, is _____.

IN WITNESS WHEREOF, Landlord and Tenant have caused this instrument to be executed under seal as of this, the _____ day of _____, 20____.

LANDLORD:

CITY OF ALEXANDRIA, a municipal
corporation of Virginia

TENANT:

_____, a

By: _____ [SEAL]
Name:
Title:

By: _____ [SEAL]
Name:
Title:

WITNESS my hand and seal, this the _____ day of _____, _____.

Notary Public

My Commission Expires:

EXHIBIT E

ENVIRONMENTAL REPORTS